

# Board of Directors Meeting Agenda

Online via Zoom

|      |                   |
|------|-------------------|
| DATE | November 9, 2023  |
| TIME | Time: 12:00 pm ET |

| ITEM   | TOPIC  | TIME     | SPEAKER  | PAGE #                               | ACTION          |
|--|--|----------|--|--------------------------------------|-----------------|
| <b>1. Introductory Matters/Call to Order/ Approval of Agenda/Conflicts of Interest</b> |  |          |  |                                      |                 |
| 1.1  | <b>Call to Order</b> – Introductory Remarks  | 12:00 pm | R. McHugh, Chair   | -                                    | -               |
| 1.2  | <b>Conflicts of Interest</b> – Board members are to declare if they have any conflicts regarding matters on the agenda   | 12:05 pm | R. McHugh, Chair   | -                                    | -               |
| <b>2. Approval of Minutes</b>  |  |          |  |                                      |                 |
| 2.1  | <p><b>Motion: Be it resolved that the Minutes of the September 22, 2023 Board meeting are approved.</b></p> <p>1. Minutes – 2023-09-22 Board Meeting</p>   | 12:10 pm | R. McHugh, Chair   | 4                                    | For Approval    |
| <b>3. Reports</b>  |  |          |  |                                      |                 |
| 3.1  | <p><b>Committee reports</b></p> <p>1. Investigations Committee Report – V. Rees</p> <p>2. Discipline Committee Report – V. Rees</p> <p>3. Registration Committee Report (oral) – J. Slabodkin</p> <p>4. Audit and Risk Committee Report – S. Walker, J. Strawczynski</p> | 12:15 pm | <p>V. Rees, General Council, Professional Regulation</p> <p>J. Slabodkin, Deputy Registrar</p> <p>S. Walker, CFO</p> | <p>7</p> <p>9</p> <p>-</p> <p>11</p> | For Information |

|  |   |                                 |  |   |                        |
|--|---|---------------------------------|--|---|------------------------|
|  | <p>5. Governance Committee Report (oral) – K. Bawa</p> <p><b>Program reports</b></p> <p>6. Professional Responsibility Program Report – V. Rees</p> <p>7. Competency Report (oral) – J. Slabodkin</p> <p><b>Stakeholder engagement report (oral)</b></p> <p>8. CPATA at IPIC’s Annual Conference – J. Strawczynski</p> <p>9. CPATA at Canadian Network of Agencies for Regulation (CNAR) – J. Slabodkin</p> <p>(i) Fundamentals of Regulation Workshop<br/><a href="https://cnar-rcor.ca">2023 Workshop Series – CNAR 2023 Hybrid Event (cnar-rcor.ca)</a></p> <p>(ii) Scaling Your Organization for Growth: An Experiential Discussion<br/><a href="https://cnar-rcor.ca">CNAR 2023 Hybrid Event – CNAR 2023 Hybrid Event (cnar-rcor.ca)</a></p> | <p>12:40 pm</p> <p>12:45 pm</p> | <p>J. Strawczynski,<br/>CEO &amp; Registrar</p>                    | <p>–</p> <p>13</p> <p>–</p> <p>–</p> <p>–</p> | <p>For Information</p> |
| <b>4. Financial Highlights and Preliminary Budget Discussion</b> |   |                                 |  |   |                        |
| 4.1  | <p>Annual Appointment of Auditors</p> <p><b>MOTION: Be it resolved the Board appoints Grant Thornton LLP as External Auditor for CPATA’s 2023 year-end audit.</b></p>   | 12:55 pm                        | <p>S. Walker, CFO<br/>J. Strawczynski,<br/>CEO &amp; Registrar</p> | 16  | For Approval           |
| 4.2  | <p>1. Preliminary discussion: Budget presentation 2024</p> <p>2. September 30, 2023, Financial Statements and Financial Highlights</p> <p>3. Legislative Compliance Memo</p>  | 1:00 pm                         | <p>S. Walker, CFO<br/>J. Strawczynski,<br/>CEO &amp; Registrar</p> | <p>–</p> <p>17</p> <p>22</p>                  | For Discussion         |

## 5. Other Business

1:30 pm

R. McHugh, Chair

### In Camera

In camera discussions

1:30 pm

### For Information

1. Communications
  - a. [October Newsletter](#)
  - b. [Message re changes to CLIA Policy](#)
  - c. **Test Specifications**
    - [Patent Knowledge Examination](#)
    - [Patent Agent Skills Examination Part 1](#)
    - [Patent Agent Skills Examination Part 2](#)
    - [Trademark Knowledge Examination](#)
    - [Trademark Agent Skills Examination](#)
  - d. [Access to Information Annual Report](#)
  - e. [Privacy Annual Report](#)

### Future meetings

#### 2023

December 14/23 – Board Public meeting (Virtual)

#### 2024

March 22/24 – Board Public meeting (Virtual)

June 13/24 – Board Public meeting & AGM (In person-Ottawa)

September 20/24 – Board Public meeting (Virtual)

November 7/24 – Board Public meeting (In person-Ottawa)

December 5/24 – Board Public meeting (Virtual)

**Public Board of Directors Meeting**  
**Held via Zoom**  
**September 22, 2023**  
**9:00 a.m. ET**  
**Minutes**

**BOARD MEMBERS:**

Ruth McHugh, Chair  
Jeff Astle  
Amber Batool  
Karima Bawa  
Brigitte Chan  
Tom Conway  
Iris Almeida-Côté  
Andrew Currier  
Leonora Hoicka

**STAFF:**

Juda Strawczynski, CEO and Registrar  
Jennifer Slabodkin, Director of Registration and Education, Deputy Registrar  
Victoria Rees, Manager of Professional Responsibility  
Andres Diaz, Operations Manager  
Anne-Thiphaine Camus, Administrator - Registration & Education  
Vikki Sakkas, Administrative Coordinator  
Dana Dragomir, Communications Officer

1. **Introductory Matters/Call to Order/Approval of Agenda/Conflicts of Interest**

The meeting was called to order at 9:03 a.m. ET.

The Chair acknowledged that CPATA is the federal regulator of patent agents and trademark agents, with staff and licensees working throughout Turtle Island, a land inhabited by indigenous peoples since time immemorial.

Iris Almeida-Côté gave an Indigenous Land Acknowledgement on behalf of the College.

Ruth McHugh made opening remarks, noting that the Board held an annual strategic planning session the previous day, focusing on the future of the profession, what success looks like long-term for a regulator and budget planning for 2024. She noted that Juda Strawczynski, CEO and Registrar, would be speaking at IPIC's conference in Winnipeg and that Jennifer Slabodkin, Director of Registration and Education, Deputy Registrar would be presenting at the Canadian Network of Agencies for Regulation conference, especially around CPATA's experience building a new, modern regulator. Ruth McHugh congratulated all Class 3 agents-in-training writing the qualifying examinations this year. She noted that CPATA will be seeking input and participation from licensees on several initiatives, and that

licensees should follow CPATA's newsletter and social media for this information.

No conflicts of interest were declared.

## 2. **Consent Agenda**

Karima Bawa, Chair of the Governance Committee, specified that the Board had discussions in-camera to add a member to the Governance Committee to account for necessary skills. She specified that the Terms of Reference for the Governance Committee and the Audit and Risk Committee are being amended to have the Chair of the Board participate as a voluntary member, ex officio. The addition of a member to the Registration committee was also discussed.

**Be it resolved that:**

- a) The Minutes of the May 26, 2023 Board meeting are approved; and**
- b) The revised Terms of Reference of the Governance Committee and Audit & Risk Committee, as set out in the Governance Committee report are approved; and**
- c) The Registration Committee Terms of Reference be amended to allow for up to seven (7) members.**

**MOVED: Leonora Hoicka**

**SECONDED: Tom Conway**

**Motion carried.**

## 3. **Committee Appointments**

The Board had a fulsome discussion regarding the potential candidates to the committees in-camera on the previous day.

**Be it resolved that:**

- a) Leonora Hoicka be appointed to the Governance Committee effective immediately**
- b) Sam Lanctin, Guy Joubert and Susan Boulter be appointed to the Discipline Committee, effective immediately until January 31, 2026;**
- c) Natalie de Paulsen, representative of the Office of the Registrar of Trademarks, be appointed to the Registration Committee effective immediately.**

**MOVED: Iris Almeida-Côté**

**SECONDED: Andrew Currier**

**Leonora Hoicka recused.**

**Motion carried.**

## 4. **Report of the Audit and Risk Committee**

### 4.1 Investment Policy and Financial Reserves Policy

Ruth McHugh stated that she attended the Audit and Risk Committee meeting where these policies were developed and took note of the thoughtful nature of deliberations during their development. She thanked Audit and Risk Committee Chair, Bob Plamondon, and the other members of the committee for their work.

**Motion: Be it resolved that the Investment Policy and Financial Reserves Policy are approved.**

**MOVED: Tom Conway**

**SECONDED: Jeff Astle**

**Motion carried.**

4.2 June 30, 2023 Financial Statements and Financial Highlights, Legislative Compliance Memo

Juda Strawczynski notes that CPATA publishes publicly its detailed Financial Statements quarterly in the Board meeting materials. Currently, CPATA is underbudget in revenue by approximately \$35,000 and is more or less on-budget for expenses.

5. **Other Business: Future Meetings**

Ruth McHugh noted that the Board meeting dates for 2024 may change and that CPATA will provide ample notice to the public when the new dates are established.

**Adjournment**

**On a motion made and carried unanimously, it was resolved to end the public meeting at 9:22 a.m. ET, and to move in-camera.**

**The meeting adjourned at 9:22 a.m. ET**



**Ruth McHugh**

Chair of the Board of Directors

Minutes approved on November 9, 2023

## Report of the Investigations Committee

|                  |                          |
|------------------|--------------------------|
| TO               | CPATA Board of Directors |
| FROM             | Kristin Dangerfield      |
| DATE             | November 9, 2023         |
| REPORTING PERIOD | September - October 2023 |

### Committee Role and Authority

The Act (s. 37) provides that, “The Investigations Committee must, on the basis of a complaint or on its own initiative, conduct an investigation into a licensee’s conduct and activities if it has reasonable grounds to believe that the licensee has committed professional misconduct or was incompetent.” The Committee considers whether to commence an investigation on its own initiative on the basis of information referred to it by the Registrar, or considers complaints filed by complainants and referred to it by the Registrar.

Until adoption of the amended By-laws on May 1, 2023, all complaints had to be referred to the Committee regardless of their merits. The new By-laws permit the Registrar to determine whether a complaint should be dismissed without referral to the Committee, and a policy is being developed setting out the factors to be considered. Otherwise, it is the Committee’s role to evaluate whether the results of an investigation provide reasonable grounds for the Committee to believe that a licensee has committed professional misconduct or was incompetent. If there is no such evidence, the Committee must dismiss the complaint. If there is such evidence, the Committee must make an Application to the Discipline Committee. It remains the case that the Act fails to give the Committee all the tools it needs to adopt a regulatory approach that is truly principled, proactive and proportional; e.g., authority to counsel, caution or reprimand a licensee for violations of the Code which do not meet well-accepted thresholds for professional misconduct or incompetence.

### Committee Activity

From September to October 2023, the Committee held one regularly scheduled meeting. At the September meeting, the Committee:

- Provided directions with respect to one new complaint
- Received an investigation report relating to three related complaints against one suspended patent agent, and resolved to file an Application with the Discipline Committee for a determination whether the suspended licensee engaged in professional misconduct
- Received an investigation report relating to a suspended Class 3 licensee, and resolved to file an Application with the Discipline Committee for a determination whether the suspended licensee in training engaged in professional misconduct
- Continued discussion of and made further amendments to the draft Policy on Interim Orders, and the draft Policy on Review of Registrar Dismissals

The Investigations Committee has one more regularly scheduled meeting for 2023.

The Committee agreed at its last meeting that the volume of matters, and need to ensure quorum is maintained when conflicts arise, would justify expansion of the committee by one non-licensee and one licensee (for a total of 7 rather than 5 members). It would be beneficial for one of the new members to be bilingual, and for the licensee member to be from a solo or small firm practice. This request is being forwarded to the Governance Committee for its consideration as soon as possible.



**Kristin Dangerfield**

Chair of the Investigations Committee



## Report of the Discipline Committee

|                  |                           |
|------------------|---------------------------|
| TO               | CPATA Board of Directors  |
| FROM             | Marcel Mongeon            |
| DATE             | November 9, 2023          |
| REPORTING PERIOD | September to October 2023 |

### Committee’s Role and Authority

Section 51 of the Act provides that the Discipline Committee must hold an oral hearing for every application made by the Investigations Committee in order to determine whether a licensee committed professional misconduct or was incompetent. Hearings are open to the public, and by default will be conducted with the parties via Zoom and concurrently streamed on YouTube for those wishing to observe the proceedings.

The Discipline Committee held its first meeting in January 2022, and as previously reported, dedicated 2022 to developing its procedures and policy framework. In January 2023, the Committee approved the final key policies for its Toolkit [[link](#)]. Throughout 2022, the Committee engaged in training in IP practice fundamentals and administrative law principles. The College created the part-time role of Discipline Proceedings Coordinator, with responsibilities shared between two existing CPATA staff.

### Committee Activities

At the Committee’s meeting in January, it was decided that the Committee would reduce its future meetings from monthly to 2-3 in 2023, given that it has substantially completed its policy framework and have begun conducting proceedings. The Committee intends to have a meeting early in 2024 dedicated to education and further policy development.

We have received two Applications from the Investigations Committee in 2023: Alpesh Patel and Mathieu Audet. The latter will be conducted in French. Pre-hearing Conferences have been underway since April. The proceedings in relation to Alpesh Patel are now scheduled for November 27, 28 and 30.

At a meeting of the full Committee on October 30, 2023, the Committee welcomed its three new members, appointed by the Board in September, and their orientation and training program is ongoing. The Committee discussed and made amendments to the draft Policy on Appeal of Investigations

Committee Decisions. The Committee also conducted an *in camera* portion of the meeting for purposes of discussing experiences to date with pre-hearing conferences, and procedural matters.



**Marcel Mongeon**

Chair of the Discipline Committee

## Report of the Audit and Risk Committee

|                         |                           |
|-------------------------|---------------------------|
| <b>TO</b>               | CPATA Board of Directors  |
| <b>FROM</b>             | Bob Plamondon             |
| <b>DATE</b>             | November 9, 2023          |
| <b>REPORTING PERIOD</b> | September to October 2023 |

### Committee Role and Authority

The purpose of the Audit & Risk (A&R) Committee is to assist the Board in fulfilling its fiduciary obligations and oversight responsibilities relating to financial planning, the audit process, financial reporting, the system of corporate controls and risk management, and when required, to make recommendations to the Board for approval.

The Committee must demonstrate strong and principled advice to foster confidence in the College's financial integrity.

### Committee Activities

Since the last update to the Board for August, the Committee met on September 8 and October 26.

At the September 8 meeting, the Committee:

1. Reviewed the Minutes and Action Log from the June 19 meeting.
2. Reviewed the internal financial statements (July 2023) and supporting information.
3. Reviewed and approved the Legislative Compliance memo from the CEO & Registrar and CFO.
4. Reviewed and approved the draft Financial Reserve Policy and recommended that the policy be presented to the Board at their next meeting (September 22, 2023).
5. Reviewed and approved the draft Investment Policy and recommended that the policy be presented to the Board at their next meeting (September 22, 2023).
6. Had a general discussion on the 2024 budget planning and assumptions that will need to be considered.
7. Reviewed the updated Risk Register and Heat Map.

At the October 26 meeting, the Committee:

1. Reviewed the Minutes and Action Log from the September 8 meeting.

2. Reviewed the internal financial statements (September 2023) and supporting information with a comparison to budget and prior year and forecast for the remainder of 2023.
3. Reviewed and approved the Legislative Compliance memo and Checklist from the CEO & Registrar and CFO.
4. Reviewed the first draft of the 2024 budget information and recommended edits to certain areas. The discussion focused on Fee Revenue, monitoring expenses, contingency planning and the need to continue to build the financial reserves.
5. Discussed the external audit and made the recommendation to the Board to appoint Grant Thornton as External Auditors for the 2023 year-end audit. A memo has been provided to the Board for review.
6. Discussed planning for the 2024 Committee Work Plan and the items that the Committee would like to address in 2024.
7. Reviewed a memo from the CFO on a few one-off financial items.

## Upcoming Committee meetings focus

- November 30, 2023 – will include discussion on final draft of Budget to be provided to the Board for the December meeting. It will also include the formalization of the Committee's intended Work Plan for 2024.



**Robert Plamondon**

Chair of the Audit and Risk Committee

## Professional Responsibility Program Report

|                  |   |
|------------------|---|
| TO               | CPATA Board of Directors                                |
| FROM             | Victoria Rees, General Counsel, Professional Regulation |
| DATE             | November 9, 2023  |
| REPORTING PERIOD | September to October 2023                               |

### Professional Responsibility Program

The Professional Responsibility Program for CPATA is comprised of:

- Ethics guidance and education
- Agent Conduct Inquiries
- Complaints
- Providing support to the Investigations and Discipline Committees (see Committee reports)
- Unauthorized practice concerns
- Other PR related matters

#### Ethics Guidance and Education

As part of its commitment to be proactive and supportive to licensees while protecting the public, CPATA created a means by which licensees can better understand their ethical obligations as they apply to specific circumstances or scenarios. Licensees can submit an ethics inquiry form, call or email the College with their ethics inquiry and expect a response within 24-48 hours. This advice is geared toward supporting but not replacing a licensee's own professional judgment. Staff maintain a database to record the nature of the inquiries, the relevant rules in the Code of Professional Conduct for Patent Agents and Trademark Agents, and the guidance provided. Licensees are advised that de-identified summaries of their inquiries may be used to educate others.

In 2022, we received 30 ethics inquiries. Last reporting period we received 12 inquiries, and in the past two months, we have received 3 ethics inquiries. To assist licensees with questions about their ethical responsibilities and requirements when surrendering a licensee, or when their license is suspended, we have created two Guides [[link](#), [link](#)] that are now available on our website. We have continued to produce regular articles for the newsletter based on themes identified from these inquiries.

## Agent Conduct Inquiries (ACI)

CPATA developed the ACI process as a means to engage in early resolution of conduct concerns without need of filing a formal complaint (which until May 1 required referral to the Investigations Committee). Anyone can submit an ACI through the online form, and expect acknowledgement within 24 hours and a response within 48-72 hours. The Professional Responsibility team members communicate with inquirers to identify their concerns, consider whether they are within CPATA's jurisdiction and mandate, and offer guidance, options and, if possible, early resolution through consensual engagement with both parties. This process has significantly reduced the number of complaints filed.

In 2022, we received and responded to 12 ACIs. For January to August 2023 we received 12 ACIs, and for this reporting period we received two.

## Complaints

The role of the Registrar and staff with respect to complaints is evolving. Initially the Registrar had no authority to review and dismiss complaints and all complaints were processed for referral to the Investigations Committee. With the new By-laws, the Registrar has been given this authority, and policy development to support this role is underway.

In 2022, 3 complaints were received from complainants, and the IC initiated 3 complaints of its own. From January to August 2023, 2 complaints were filed by complainants and one was initiated by the IC. For this reporting period, we have received no new complaints, and have one investigation ongoing from the previous period.

## Unauthorized Practice Concerns

The Board is well aware of concerns with unauthorized practice expressed in the past number of months. CPATA is taking a measured and risk-focused approach to these matters.

In 2022, we received one UAP complaint, which was investigated and a warning issued. From January to August 2023, we received 6 UAP complaints, one of which remains under investigation, and in the past two months we have received two more such complaints, both of which are under investigation.

## Other PR Matters

The Board is aware that an application for Judicial Review has been filed by Prof. Andrew Olkowski in relation to the dismissal of his complaint against patent agent Ted Yoo by the Investigations Committee in November 2022. The proceeding in this matter was scheduled for early July but delayed when the Court determined that Prof. Olkowski was required to formally give notice of the application to Agent Yoo. Earlier this fall, the applicant made a further motion which has resulted in further delay. A new date has not yet been set, and may not be until the new year.

A handwritten signature in blue ink that reads 'Victoria Rees'.

**Victoria Rees**

General Counsel, Professional Regulation

## Memorandum

|         |   |
|---------|---|
| TO      | <b>Board of Directors</b>                                 |
| FROM    | <b>Audit &amp; Risk Committee</b>                         |
| DATE    | <b>November 9, 2023</b>                                   |
| SUBJECT | <b>Appointment of External Auditors for 2023 year-end</b> |

**MOTION: Be it resolved:**

**The Board appoints Grant Thornton LLP as External Auditor for CPATA's 2023 year-end audit.**

**Information:**

CPATA has engaged Grant Thornton as external auditors for the past three years (2020, 2021 and 2022) and has a positive working relationship with their team. They have met the tight timelines required to complete the audit work and financial statement information in advance of the March 31<sup>st</sup> deadline for reporting to the Minister's office.

Part of the Audit and Risk Committee's mandate is to recommend to the Board the appointment of the External Auditor. The Committee met on October 26, 2023, and has decided to bring forward the recommendation to again appoint Grant Thornton.

**Recommendation:**

The Audit & Risk Committee recommends the appointment of Grant Thornton as the External Auditor for the 2023 fiscal year ending December 31, 2023.



**Bob Plamondon, FCPA FCA, ICD.D,  
Audit & Risk Committee Chair**



# College of Patent Agents and Trademark Agents

Financial Reports - Board and A&R Committee  
as of September 30, 2023



Prepared on  
October 21, 2023

## Statement of Financial Position

As of September 30, 2023

|   | TOTAL                 |                          |
|---|-----------------------|--------------------------|
|   | AS OF SEP. 30, 2023   | AS OF SEP. 30, 2022 (PY) |
| <b>Assets</b>                                     |                       |                          |
| Current Assets                                    |                       |                          |
| Cash and Cash Equivalent                          |                       |                          |
| 1010 RBC Chequing Account                         | 242,091.51            | 1,064,054.79             |
| <b>Total Cash and Cash Equivalent</b>             | <b>\$242,091.51</b>   | <b>\$1,064,054.79</b>    |
| 1230 Other current assets                         | 0.00                  | 0.00                     |
| 1400 Prepaid expenses                             | 63,829.39             | 55,844.62                |
| 1500 G.I.C  | 750,000.00            |                          |
| 1505 GIC - Accrued Interest                       | 7,628.42              |                          |
| <b>Total 1500 G.I.C</b>                           | <b>757,628.42</b>     |                          |
| <b>Total Current Assets</b>                       | <b>\$1,063,549.32</b> | <b>\$1,119,899.41</b>    |
| Non-current Assets                                |                       |                          |
| Property, plant and equipment                     |                       |                          |
| 1600 Computer Equipment                           | 11,566.00             | 11,679.53                |
| 1605 Computer Equipment - Accum Amort             | -5,303.58             | -3,681.75                |
| <b>Total Property, plant and equipment</b>        | <b>\$6,262.42</b>     | <b>\$7,997.78</b>        |
| <b>Total Non Current Assets</b>                   | <b>\$6,262.42</b>     | <b>\$7,997.78</b>        |
| <b>Total Assets</b>                               | <b>\$1,069,811.74</b> | <b>\$1,127,897.19</b>    |
| <b>Liabilities and Equity</b>                     |                       |                          |
| Liabilities                                       |                       |                          |
| Current Liabilities                               |                       |                          |
| Accounts Payable (A/P)                            |                       |                          |
| 2000 Accounts Payable (A/P)                       | 154,872.50            | 163,740.21               |
| <b>Total Accounts Payable (A/P)</b>               | <b>\$154,872.50</b>   | <b>\$163,740.21</b>      |
| Credit Card                                       |                       |                          |
| 2020 RBC Visa Credit Card - DP                    | 0.00                  | 9,819.58                 |
| 2025 RBC Credit Card #4816                        | 5,175.03              |                          |
| 2030 RBC Line of Credit                           | 0.00                  | 0.00                     |
| <b>Total Credit Card</b>                          | <b>\$5,175.03</b>     | <b>\$9,819.58</b>        |
| 2010 Accrued Payables                             | -8,087.52             | -458.94                  |
| 2015 Accrued Liabilities - Committee Remuneration | -0.03                 | 19,889.00                |
| 2050 GST/HST Payable                              | -14,151.27            | -1,061.59                |
| 2060 GST/HST Suspense                             | 0.00                  | -37,473.17               |
| <b>Total 2050 GST/HST Payable</b>                 | <b>-14,151.27</b>     | <b>-38,534.76</b>        |
| 2150 Payroll liabilities                          | 0.00                  |                          |
| <b>Total Current Liabilities</b>                  | <b>\$137,808.71</b>   | <b>\$154,455.09</b>      |

# College of Patent Agents and Trademark Agents

## Statement of Financial Position

As of September 30, 2023

|   | TOTAL                 |                          |
|---|-----------------------|--------------------------|
|   | AS OF SEP. 30, 2023   | AS OF SEP. 30, 2022 (PY) |
| <b>Non-current Liabilities</b>            |                       |                          |
| 2200 Deferred Revenue - Payments Received | 376.66                | -157.50                  |
| 2210 Deferred License Fees                | 490,870.84            | 513,912.50               |
| 2211 Deferred License Fees - Class 2      | 6,464.50              | 5,125.00                 |
| 2220 Deferred Application Fees            | 0.00                  | 0.00                     |
| 2250 Deferred Exam Fees                   | 86,800.00             | 111,300.00               |
| <b>Total Non-current Liabilities</b>      | <b>\$584,512.00</b>   | <b>\$630,180.00</b>      |
| <b>Total Liabilities</b>                  | <b>\$722,320.71</b>   | <b>\$784,635.09</b>      |
| <b>Net Assets</b>                         |                       |                          |
| Unrestricted Net Assets                   | 304,883.65            | 245,017.31               |
| Excess of Revenues over Expenditures      | 42,607.38             | 98,244.79                |
| <b>Total Net Assets</b>                   | <b>\$347,491.03</b>   | <b>\$343,262.10</b>      |
| <b>Total Liabilities and Net Assets</b>   | <b>\$1,069,811.74</b> | <b>\$1,127,897.19</b>    |

# College of Patent Agents and Trademark Agents

## Statement of Operations

September 2023

|  | TOTAL               |                        |
|--|---------------------|------------------------|
|  | SEP. 2023           | JAN - SEP., 2023 (YTD) |
| <b>INCOME</b>                                      |                     |                        |
| 4000 Service/Fee Income                            |                     |                        |
| 4010 Licensee fees - Class 1                       | 163,973.61          | 1,472,612.49           |
| 4011 Class 1 License Fee Income - PY Adj           |                     | 700.00                 |
| 4020 Class 2 Inactive Agent Fees                   | 2,154.83            | 19,393.50              |
| 4030 Class 3 License Fees                          | 2,100.00            | 8,846.25               |
| 4040 Class 4 Inactive Agent fees                   |                     | 75.33                  |
| <b>Total 4010 Licensee fees - Class 1</b>          | <b>168,228.44</b>   | <b>1,501,627.57</b>    |
| 4050 Exam fees                                     | 41,300.00           | 41,300.00              |
| 4055 Exam re-correction request                    |                     | 5,650.00               |
| <b>Total 4050 Exam fees</b>                        | <b>41,300.00</b>    | <b>46,950.00</b>       |
| 4070 Application fee income                        | 1,650.00            | 53,315.00              |
| 4060 Certificate & Letters Fees                    | 0.00                | 1,425.00               |
| <b>Total 4070 Application fee income</b>           | <b>1,650.00</b>     | <b>54,740.00</b>       |
| <b>Total 4000 Service/Fee Income</b>               | <b>211,178.44</b>   | <b>1,603,317.57</b>    |
| <b>Total Income</b>                                | <b>\$211,178.44</b> | <b>\$1,603,317.57</b>  |
| <b>Total Income</b>                                | <b>\$211,178.44</b> | <b>\$1,603,317.57</b>  |
| <b>EXPENSES</b>                                    |                     |                        |
| 5500 Wages & Benefits                              | 63,213.93           | 598,305.36             |
| 6005 Professional and consulting fees              |                     |                        |
| 6010 Professional fees - Accounting Services       | 8,333.33            | 66,350.01              |
| 6015 Audit Fees                                    |                     | 0.00                   |
| 6020 Professional fees - Communications            |                     | 3,000.00               |
| 6030 Legal Fees                                    | 32,916.43           | 278,742.64             |
| 6060 Translation expenses                          | 10,652.98           | 66,022.12              |
| 6210 Consulting - Communications                   | 893.27              | 16,868.98              |
| 6230 Consulting - Human Resources                  | 4,320.00            | 12,740.00              |
| <b>Total 6005 Professional and consulting fees</b> | <b>57,116.01</b>    | <b>443,723.75</b>      |
| 6200 Technology and Systems Expenses               |                     |                        |
| 6270 IT Consultants - Network & General            | 968.13              | 8,472.46               |
| 6280 IT Consultant - License Systems               | 4,942.00            | 50,322.50              |
| 6290 IT Consultant - Website                       |                     | 7,063.23               |
| <b>Total 6200 Technology and Systems Expenses</b>  | <b>5,910.13</b>     | <b>65,858.19</b>       |



# College of Patent Agents and Trademark Agents

## Statement of Operations

September 2023

|   | TOTAL                |                        |
|---|----------------------|------------------------|
|   | SEP. 2023            | JAN - SEP., 2023 (YTD) |
| 6500 Board & Committee Governance Expenses                  |                      |                        |
| 6501 Board of Directors Expenses                            |                      |                        |
| 6505 Board and Committee Expenses                           |                      |                        |
| 6502 Board - Meeting expenses                               | 1,248.17             | 9,230.25               |
| <b>Total 6505 Board and Committee Expenses</b>              | <b>1,248.17</b>      | <b>9,230.25</b>        |
| 6510 Board - Remuneration                                   | 22,499.97            | 92,158.28              |
| 6520 Board - Travel   | 13,139.08            | 21,171.94              |
| 6525 Board - Meal costs                                     | 3,385.12             | 4,463.08               |
| <b>Total 6501 Board of Directors Expenses</b>               | <b>40,272.34</b>     | <b>127,023.55</b>      |
| 6610 Committees - Member Compensation                       | 11,800.00            | 40,125.00              |
| <b>Total 6500 Board &amp; Committee Governance Expenses</b> | <b>52,072.34</b>     | <b>167,148.55</b>      |
| 6700 Registration & Exam Expenses                           |                      |                        |
| 6710 Consulting - Admissions                                | 28,800.00            | 103,150.00             |
| 6720 Reg Programs - Member Compensation                     |                      | 45,714.29              |
| <b>Total 6700 Registration &amp; Exam Expenses</b>          | <b>28,800.00</b>     | <b>148,864.29</b>      |
| 7010 Bank fees and interest                                 | 406.13               | 1,857.78               |
| 7020 Credit Card Processing Fees                            | 966.12               | 44,685.67              |
| <b>Total 7010 Bank fees and interest</b>                    | <b>1,372.25</b>      | <b>46,543.45</b>       |
| 7135 Insurance  | 4,262.93             | 38,095.34              |
| 7205 Office Expenses  |                      |                        |
| 6295 Payroll provider Fees                                  | 77.25                | 640.24                 |
| 7130 Dues and memberships                                   | 2,934.46             | 7,349.46               |
| 7215 Office - General expenses                              | 234.30               | 3,605.39               |
| 7225 Telephone-Cell phone                                   | 396.91               | 765.78                 |
| 7300 Software costs - Administration                        | 2,579.25             | 22,238.66              |
| <b>Total 7205 Office Expenses</b>                           | <b>6,222.17</b>      | <b>34,599.53</b>       |
| 7310 Staff Travel and Training expenses                     |                      |                        |
| 6330 Staffing Training                                      |                      | 1,125.00               |
| 7320 Staff Travel   | 7,604.17             | 17,923.90              |
| 7325 Meals and entertainment                                | 1,650.71             | 4,292.30               |
| <b>Total 7310 Staff Travel and Training expenses</b>        | <b>9,254.88</b>      | <b>23,341.20</b>       |
| 8000 Amortization   | 202.01               | 1,858.95               |
| <b>Total Expenses</b>                                       | <b>\$228,426.65</b>  | <b>\$1,568,338.61</b>  |
| OTHER INCOME  |                      |                        |
| 4220 Interest earned  | 3,051.37             | 7,628.42               |
| <b>Total Other Income</b>                                   | <b>\$3,051.37</b>    | <b>\$7,628.42</b>      |
| <b>EXCESS OF REVENUE OVER EXPENDITURES</b>                  | <b>\$ -14,196.84</b> | <b>\$42,607.38</b>     |

## Memorandum

|         |  |
|---------|--|
| TO      | <b>Audit &amp; Risk Committee, Board of Directors</b>              |
| FROM    | <b>Juda Strawczynski, CEO &amp; Registrar and Sean Walker, CFO</b> |
| DATE    | <b>October 26, 2023</b>  |
| SUBJECT | <b>Legislative Compliance memo</b>                                 |

This memo is written to the Board of Directors of the College of Patent Agents and Trademarks Agents (CPATA) to provide an update on CPATA's legislative compliance reporting and remittance requirements.

### GST/HST

CPATA is required to file GST/HST returns for each quarter by the end of the following month. The most recent return for the period of July 1 to September 30, was filed with CRA on October 20. Refund expected to be received in early November.

### Payroll Statutory Deductions

CPATA has employees and Board members who receive remuneration for their positions on the Board. As a result, CPATA is required to withhold and remit statutory deductions from payroll for the various federal government programs. These include Canada Pension Plan (CPP), Quebec Parental Insurance Plan (QPIP), Quebec Pension Plan (QPP), Employment Insurance (EI) and Income Tax (CRA and Revenu Quebec). CPATA is a monthly remitter for these Statutory deductions and must remit to the Canada Revenue Agency (CRA) and Revenu Quebec by the 15<sup>th</sup> of the month after the employees are paid.

CPATA is up to date with payroll remittances to CRA and Revenu Québec as of the end of September 2023. There was a penalty assessed (\$300) recently by Revenu Quebec for late filing of 2022 forms. We are working on the online access to Revenu Quebec which will help in the ability to file forms online and review the account.

Statements of Remuneration – T4's and T4A's are required to be sent to CRA and employees, Board and Committee members by the end of February. These have been filed with CRA and Revenu Quebec and copies have been provided to employees, Board members and Committee members. We have received confirmation of acceptance of filing the T4's and T4A's from CRA, Revenu Quebec requested an additional copy of a summary document which was then provided to them in July.

### Annual Federal filing requirements with CRA

CPATA will be required to file a Not-for-Profit Organization (NPO) Information Return (T1044) for 2022 with CRA within 6 months of the year ending December 31, 2022 by June 30, 2023. CPATA is not a taxable entity so income tax will not be required, however, the returns must still be filed. Grant Thornton prepared and mailed the return on May 5th on CPATA's behalf and confirmation will be provided once received from CRA.

### Annual Report and Audited Financial Statements

CPATA's Annual Report is due to be delivered to the Minister of Innovation, Science and Industry as required by s. 25<sup>1</sup> of the CPATA Act. The report is due by March 31<sup>st</sup> and will be tabled in Parliament by the Minister. We are also required (By-law 30) to publish a report (on website) on Board and Committee expenses paid during the year. This report has been prepared and was published along with the Audited Financial Statements on the CPATA Website before March 31 and was also provided to the Minister. These were all completed by March 31 as required.

### Privacy Act and Access to Information Act

CPATA is subject to the Privacy Act and the Access to Information Act. In accordance with section 94 of the Access to Information Act and section 72 of the Privacy Act, in early September, CPATA reported on its activities in two reports to be tabled in Parliament by the Minister on our behalf. These reports have been posted on CPATA's website as well.

### Official Languages Act

In our previous legislative compliance memo, we indicated that:

CPATA considers that it is meeting its obligations under the Official Languages Act. Following the Final Investigation Report of the Commissioner of Official Languages, CPATA implemented the three recommendations of the Commissioner to achieve compliance. CEO and Registrar Juda Strawczynski responded to a standard "Notice of intent to follow up on recommendations" from the Office of the Commissioner of Official Languages on May 28, 2023 as confirmation. An Official Languages Policy has now been published on CPATA's website which describes the College's commitment to official languages and outlines some concrete processes CPATA undertakes. As a new institution, adjustments or improvements are expected in the coming years, as CPATA forays into other forms of engagement and communications. This includes optimizing systems for efficiency or cost-effectiveness.

Since then, the Commissioner of Official Languages has issued a Preliminary Follow-up Report. The Commissioner acknowledged that the College has developed an Official Languages Policy, but was of the view that CPATA had not provided supporting evidence to demonstrate "how some of the services in the policy will be provided in both official languages." The Commissioner further concluded that CPATA had not implemented an official languages training plan for its employees to periodically remind and inform them of their language obligations.

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<sup>1</sup> **25 (1)** On or before March 31 of each year, the College must submit to the Minister a report on the College's activities during the preceding calendar year.

**(2)** The Minister must cause a copy of the report to be tabled in each House of Parliament on any of the first 15 days on which that House is sitting after the day on which the Minister receives it.

CPATA is of the view that its current policies and processes are sufficiently developed for the College to meet its obligations under Part IV of the Official Languages Act, and does provide regular training through a variety of measures to ensure that employees are periodically reminded and informed of their language obligations. CPATA CEO and Communications Officer met with the senior investigator assigned to the file to clarify how CPATA's independent nature, small team size and agile manner of functioning may have contributed to the perception that CPATA had not fully addressed the three recommendations. As advised by the investigators during this meeting, CPATA subsequently provided follow-up representations on this file. It is expected that these clarifications will be sufficient for the Commissioner to conclude that CPATA implemented all three recommendations.

Acknowledgement of Compliance

By signing below, Juda Strawczynski, CEO & Registrar and Sean Walker, CFO (outsourced) acknowledge that the statements made in this letter are accurate and that CPATA is in compliance with all statutory legislative requirements included in the Certificate below.



**Juda Strawczynski**  
CEO & Registrar



**Sean Walker, CPA, CGA, CIA**  
CFO (Outsourced)



**Legislative Compliance Certificate  
CONFIRMATION OF STATUTORY OBLIGATIONS  
For the period: ending September 30, 2023**

|    | <b>OBLIGATION TO BE FULFILLED</b>   | <b>CONFIRMED</b> |
|----|---|------------------|
| 1. | Excise Tax Act (Canada) GST/HST <ul style="list-style-type: none"> <li>Quarterly report and remit required net goods and services tax</li> </ul>  | <b>Yes</b>       |
| 2. | Employment Insurance Act (Canada) <ul style="list-style-type: none"> <li>Deduct, withhold, submit employer's and employee's EI premiums (handled by Wagepoint)</li> </ul>   | <b>Yes</b>       |
| 3. | Canada Pension Act (Canada) <ul style="list-style-type: none"> <li>Deduct, withhold, submit employer's and employee's CPP contributions (handled by Wagepoint)</li> </ul>   | <b>Yes</b>       |
| 4. | Income Tax Act (Canada) <ul style="list-style-type: none"> <li>Deduct, withhold, submit in respect of salaries (handled by Wagepoint)</li> </ul>  | <b>Yes</b>       |
| 5. | Income Tax Act (Canada) <ul style="list-style-type: none"> <li>Provide Employees and other remunerated by the College with Statements of Remuneration Paid (T4 and T4A's)</li> <li>File the statements with CRA by February 28</li> </ul> | <b>Yes</b>       |
| 6. | Act Respecting the Régie De L'Assurance Maladie Du Québec - Employer's Health Tax/Health Services Fund (Quebec) <ul style="list-style-type: none"> <li>Report and remit EHT/HSF</li> </ul>  | <b>Yes</b>       |
| 7. | Act Respecting Parental Insurance - Provincial Parental Insurance Plan (QPIP - Quebec) <p>Report and remit EHT/HSF</p>  | <b>Yes</b>       |
| 8. | Income Tax Act (Canada) <ul style="list-style-type: none"> <li>File an Annual Non-Profit Organization (NPO) Information Return (T1044) by June 30</li> </ul>  | <b>Yes</b>       |
| 9. | CPATA Act (Canada) <ul style="list-style-type: none"> <li>CPATA's Annual Report is delivered to the Minister of Innovation, Science and Industry by March 31</li> </ul>   | <b>Yes</b>       |