

# Board of Directors Meeting Agenda

March 22, 2024 12:00 pm ET

[Online via Zoom](#)

ITEM	TOPIC	PAGE	ACTION
<b>1. Introductory Matters/Call to Order/ Approval of Agenda/Conflicts of Interest</b>			
1.1	<b>Call to Order (R. McHugh, Chair) – 12:00 p.m.</b> Introductory Remarks	-	-
1.2	<b>Conflicts of Interest (R. McHugh, Chair) – 12:05 p.m.</b> Board members are to declare if they have any conflicts regarding matters on the agenda	-	-
1.3	<b>Approval of Agenda (R. McHugh, Chair) – 12:05 p.m.</b> Board members approve agenda as circulated or as amended if there are any additions or deletions	-	For Approval
<b>2. Approval of Minutes</b>			
2.1	<b>Approval of Minutes (R. McHugh, Chair) – 12:10 p.m.</b>  <b>Motion: Be it resolved that the Minutes of the December 14, 2023 Board meeting are approved.</b>  1. Minutes – 2023-12-14 Board Meeting	5	For Approval
<b>3. Reports</b>			
3.1	<b>Committee and other reports (Various Presenters) – 12:15 pm</b>  <b>Purpose</b> – CPATA’s committees play a vital role in CPATA’s regulatory initiatives. Each Committee has a unique function, as described in the reports. To consider committee recommendations presented to the Board from time to time		For Information

	<p>for approval, and to otherwise meet its fiduciary oversight duties, the Board receives regular reports from each Committee.</p> <p><b>Input</b> – Committee reports (listed below)</p> <p><b>Output</b> – Board considers reports and recommendations from Committees for information and adoption.</p> <p><b>Going forward</b> – Ongoing reports from Committees to advance CPATA governance and regulatory initiatives.</p> <p><b>Committee Reports:</b></p> <ol style="list-style-type: none"> <li>1. Investigations Committee (V. Rees, General Counsel, Professional Regulation) 8</li> <li>2. Discipline Committee (V. Rees, General Counsel, Professional Regulation) 10</li> <li>3. Registration Committee (T. McKay, Chair, Registration Committee, J. Slabodkin, Deputy Registrar) 12</li> <li>4. Governance Committee (K. Bawa, Chair, Governance Committee, J. Strawczynski, CEO &amp; Registrar and V. Rees, General Counsel, Professional Regulation) 17</li> <li>5. Audit and Risk Committee (B. Plamondon, Chair, Audit &amp; Risk Committee, S. Walker, CFO, J. Strawczynski, CEO &amp; Registrar) 19</li> </ol> <p style="padding-left: 40px;">5a: January 31, 2024 Financial Statements 21</p> <p style="padding-left: 40px;">5b: Legislative Compliance Memo 26</p> <p><b>Regulatory Principles that Guide our Work</b></p> <ol style="list-style-type: none"> <li>6. Memo and Regulatory Principles that Guide our Work - Updated 2024 (J. Strawczynski, CEO &amp; Registrar) 29</li> </ol> <p><b>Program Reports and CEO Report – 12:45 pm</b></p> <ol style="list-style-type: none"> <li>7. Professional Responsibility Program (V. Rees, General Counsel, Professional Regulation) 39</li> <li>8. Professional Development and Competency (oral) – (J. Slabodkin, Deputy Registrar) -</li> <li>9. CEO Report (J. Strawczynski, CEO &amp; Registrar) 42</li> </ol>		
<b>4. Governance Policies</b>			
4.1	<p><b>Governance Policies Update (Karima Bawa, Chair, Governance Committee, V. Rees, General Counsel, Professional Regulation, J. Strawczynski, CEO &amp; Registrar) – 1:00 p.m.</b></p> <p><b>Purpose</b> – To update CPATA’s Governance Policies and related policies in light of changes in CPATA’s By-laws, and to improve existing policies so that they are more user-friendly for Directors, Committee members, staff and the public.</p> <p><b>Input</b> – Draft CPATA Governance Policies and Appendices</p> <p><b>Output</b> – Draft CPATA Governance Policies and Appendices (as approved)</p>		For Approval

	<p><b>Going forward</b> – The approved CPATA Governance Policies and Appendices will be published on CPATA’s website and distributed to CPATA Directors, Committee members and staff, and staff will develop related trainings.</p> <p><b>Motion: Be it resolved that the CPATA Governance Policies together with its Appendices are approved.</b></p> <p><b>Materials:</b>  <b>Memo re Governance Policies</b>  <b>Governance Polices and Appendices</b></p>	<p>45 47</p>	
<b>5. 2023 Audited Financial Statements</b>			
5.1	<p><b>2023 Audited Financial Statements Presentation</b>  <b>(Bob Plamondon, Chair, Audit &amp; Risk Committee, S. Walker, CFO J. Strawczynski, CEO &amp; Registrar) – 1:30 pm</b></p> <p><b>Purpose</b> – The Board oversees CPATA’s operations and approves its annual audited financial statements. The statements are presented for the Board’s consideration and approval.</p> <p><b>Input</b> – 2023 Audited Financial Statements (for approval)  <b>Output</b> – 2023 Audited Financial Statements (approved)</p> <p><b>Going forward</b> – The Audited Financial Statements will be published on CPATA’s website.</p> <p><b>MOTION: Be it resolved the Board approves CPATA’s Audited Financial Statements for the period ending December 31, 2023 as provided in this meeting package.</b></p> <p><b>Materials:</b>  <b>Memo re 2023 Audited Financial Statements</b>  <b>Audited Financial Statements 2023</b></p>	<p>113 114</p>	<p>For Approval</p>
<b>Other Business</b>			
<b>Other business – 2PM</b>			
<b>In Camera</b>			
<b>In camera discussions</b>			

## For Information

1. Registrar's Policies
  - [Request for Delayed Examinations](#)
  - [Maximum Number of Examination Attempts & Remedial Training](#)
  - [Invalidating an Examination Result](#)
2. Communications
  - [December Newsletter](#)
  - [January Newsletter](#)
  - [February Newsletter](#)
3. Regulatory news
  - [Calls continue for Quebec to ditch nursing exam after order reverses course](#)
  - [Prioritizing Board Time – Part 1](#)
  - [Prioritizing Board Time – Part 2](#)
4. IP updates
  - [Patentees 2023 | IP Practice](#)
  - [Ontario's IP Ecosystem Map – Intellectual Property Ontario \(ip-ontario.ca\)](#)
  - [Intellectual property literacy and Canada's path to prosperity - The Hill Times](#)

## Future meetings – 2024

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  
December 14, 2023  
12 p.m. ET  
Minutes**

**BOARD MEMBERS:**

Ruth McHugh, Chair

Iris Almeida-Côté

Jeff Astle

Amber Batool

Brigitte Chan

Tom Conway

Andrew Currier

Leonora Hoicka

*Absent: Karima Bawa*

**STAFF:**

Juda Strawczynski, CEO and Registrar

Jennifer Slabodkin, Director of Registration and Education,  
Deputy Registrar

Sean Walker, CFO

Victoria Rees, General Counsel, Professional Responsibility

Andres Diaz, Operations Manager

Anne-Thiphaine Camus, Administrator – Registration &  
Education

Vicci Sakkas, Administrative Coordinator

Dana Dragomir, Communications Officer

**GUEST:**

Bob Plamondon, Chair of the Audit and Risk Committee

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

The meeting was called to order at 12:04 p.m. ET.

The Chair acknowledged that CPATA is the federal regulator of patent agents and trademark agents in the land we call Canada, the traditional and ancestral territory of many Indigenous Peoples. Ruth McHugh made opening remarks. No conflicts of interest were declared.

**Motion: Be it resolved that the agenda for the December 14 meeting of CPATA's Board of Directors be adopted.**

**Moved: Iris Almeida-Côté**

**Seconded: Leonora Hoicka**

**Motion carried.**

2. **Consent Agenda**

**Motion: Be it resolved that the Minutes of the November 9, 2023 Board meeting are approved.**

**MOVED: Leonora Hoicka**

**SECONDED: Amber Batool**

**Motion carried.**

*Brigitte Chan joined the meeting at 12:09 p.m.*

3. **Reports**

Victoria Rees gave an oral report on CPATA's professional responsibility program, including the work of the Investigations Committee and the Discipline Committee. She highlighted two new policies: Policy on Appeal of Registrar Decisions and Policy on Interim Orders. The Board discussed the livestreaming of discipline proceedings on YouTube.

Jen Slabodkin gave an oral report on CPATA's work in registration and education, including the work of the Registration Committee.

Bob Plamondon and Sean Walker gave an oral report on the work of the Audit and Risk Committee.

4. **CEO Report: 2023 Highlights and Activity Plan**

Juda Strawczynski gave a presentation overviewing CPATA's work and accomplishments in 2023 and priorities and Activity Plan for 2024. The Board discussed unauthorized practice in the context of international practice and coregulation.

5. **2024 Budget**

Sean Walker presented CPATA's budget for 2024. The Board inquired about the administration cost of the new qualifying examinations and Juda Strawczynski

clarified that the exams are priced to recuperate some but not all of the cost of running the examinations.

**Motion: Be it resolved the Board approves the 2024 Budget as presented.**

**Moved: Iris Almeida-Côté**

**Seconded: Tom Conway**

**Motion carried.**

6. **2024 Director Election – Appointment of Election Commissioner**

**Motion: Be it resolved that the Board appoints Enrico A. Scichilone as Election Commissioner, effective January 1, 2024, for the 2024 CPATA Director election.**

**Moved: Brigitte Chan**

**Seconded: Amber Batool**

**Motion carried.**

**Adjournment**

**It was resolved to end the public meeting at 1:50 p.m. ET and to move in-camera.**



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**Ruth McHugh**

Chair of the Board of Directors

Minutes approved on March 8, 2024

## Report of the Investigations Committee

TO	CPATA Board of Directors
FROM	Kristin Dangerfield
DATE	March 6, 2024
REPORTING PERIOD	December 2023 to March 2024

### 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 because 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 December 2023 to March 2024, the Committee held no regularly scheduled meetings because the meetings in January and March were cancelled due to the timing of investigation results. There is only one ongoing complaint investigation, the report which is expected for the May meeting.



There are currently three Notices of Application before the Discipline Committee.



**Kristin Dangerfield**

Chair of the Investigations Committee

## Report of the Discipline Committee

TO	CPATA Board of Directors
FROM	Marcel Mongeon
DATE	March 22, 2024
REPORTING PERIOD	December 2023 to March 2024

### 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

The Discipline Committee met as a whole on February 26, 2024. At this meeting, the committee had the opportunity to discuss panel proceeding experiences to date, and to consider development of additional policies to help further streamline its processes and those of the parties in preparation for proceedings. Work will get underway on two new policies in the coming months. There are two more meetings of the whole committee scheduled this year in June and October.

The discipline panel in the matter of **Alpesh Patel** rendered its decision in December 2023 [\[link\]](#).

In the matter of **Mathieu Audet**, pre-hearing conferences are ongoing.

The committee received two new Notices of Application from the Investigations Committee in 2023: **Imran Siddiqui** and **Eric Fincham**. Pre-hearing conferences for both are being or have been scheduled.

The College will be providing panel decisions to CanLii in due course.

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**Marcel Mongeon**

Chair of the Discipline Committee

## Report of the Registration Committee

<b>TO</b>	<b>CPATA Board of Directors</b>
<b>FROM</b>	<b>Tina McKay, Chair, Registration Committee</b>
<b>DATE</b>	<b>March 22, 2024</b>
<b>REPORTING PERIOD</b>	<b>January – March 2024</b>

### Committee Role and Authority

The Registration Committee assists the Registrar in administering the College’s licensing requirements. The Committee:

- approves standards for the evaluation of competencies and passing marks for the qualifying examinations; and
- when requested by an applicant or a licensee, reviews decisions made by the Registrar under the By-laws.

### Fair Registration Practices Self-Assessment

#### 1.1 Background:

In accordance with our Regulatory Objectives, Standards and Principles, and as a right-touch regulator, it is incumbent upon CPATA to continuously strive to employ and improve fair and defensible registration practices. For that reason, from inception CPATA set out to harness the spirit of fair registration principles in our registration policies and procedures.

To this end, starting at the end of 2022, the Chair and Vice Chair of the Registration Committee conducted a self-assessment of CPATA’s registration principles, policies and procedures, with a view towards demonstrating compliance with generally accepted standards and continuously improving CPATA’s registration practices. The review was based on the October 2022 guide of the Ontario Fairness Commissioner (“OFC Guide”)<sup>1</sup>, as federal standards for fair registration practices in the context of professional regulation do not exist.

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<sup>1</sup> The OFC Guide was selected as the basis for the self-assessment because it is a highly regarded guide that outlines expectations for regulators to meet fair registration practice obligations and provides a basis for recommendations to address any weaknesses. The practice-based expectations outlined in the OFC Guide translate into actionable steps and serve as a valuable resource for regulators, helping them align their practices with fair-access and enhance the overall fairness of the registration process.

An internal self-assessment, rather than an independent audit, was conducted for a few reasons. The Chair and Vice Chair have significant regulatory experience in registration and familiarity with the fair registration practices in their provincial jurisdictions. They were able to efficiently conduct this review with less than one full day required from each to review, discuss and finalize the report. The self-assessment process allowed CPATA to conduct this important review work in a cost-conscious manner.

## 1.2 Self-Assessment Process:

Registration staff provided information and evidence to demonstrate compliance with the specific duties and reporting requirements, and general duties of fairness outlined by the OFC Guide (See Appendix A for a summary of those duties).

Each duty and reporting requirement was assigned a score based on the number of components in that section. One point was awarded for each duty, recommendation and/or best practice that was demonstrated, and half a point was awarded when CPATA demonstrated partial compliance.

The scoring system was used to identify overall areas where CPATA is doing well and areas for improvement. It will also provide some measure of benchmarking against future assessments.

Specific duties and requirements that scored:

- 70-100% demonstrated substantial compliance, with minor improvements recommended;
- 50-69% demonstrated satisfactory compliance, with moderate improvements recommended; and
- Less than 50% did not demonstrate satisfactory compliance, with major improvements needed.

The fair registration practices considered pertained to all registration processes, from admission as an agent in training through to full licensing in Class 1 agent.

The Registration Committee, with the assistance of staff, prepared a robust self-assessment report, including recommendations, that will guide its future work in this area.

## 1.3 Highlights:

Overall, the Chair and Vice-Chair concluded on this self-assessment basis that CPATA demonstrated compliance with the general duties – transparency, objectivity, impartiality and fairness, and compliance with specific duties.

CPATA demonstrated compliance with minor improvements (70-100%) for all specific duties and reporting requirements, with the exception of the reporting requirement related to efficiency and timeliness of decision making, which demonstrated satisfactory compliance, with moderate improvements needed.

CPATA demonstrated full compliance (i.e. scored 100%) with the following specific duties:

- Obligation 3 – Internal Review/Appeal; and
- Obligation 4 – Providing Information about Supporting Documentation.

CPATA demonstrated full compliance (i.e. scored 100%) with best practices for:

- Obligation 4 – Providing Information about Supporting Documentation; and
- Review Requirements – Requirements for Registration.

#### 1.4 Next Steps:

The self-assessment confirms that CPATA has developed and implemented registration programs, policies and procedures that are generally transparent, objective, impartial, fair, proportionate and principled. It also identifies areas requiring further attention and provides an action plan for implementing changes where appropriate to further improve our registration processes and policies.

A number of recommended improvements relate to researching, benchmarking and calculating processing and decision-making timelines, as well as timelines related to each step of the registration process. As a new regulator, we did not have any baseline data from which to work and had to focus our efforts on building the registration policy and process framework. Having now been operational for almost 3 years, we are able to turn our attention to tracking, measuring, reporting and fine-tuning these standards. Other recommendations included:

- Simplifying information presented on the website for prospective and current agents in training/exam candidates;
- Amending the Registrar's Policy on Language Proficiency Requirements to incorporate additional accepted standardized tests;
- Considering developing a Registrar's policy on Access to Application Records for registration; and
- Providing additional training to Registration staff and the Registration Committee in decision writing.

Staff will now be implementing the recommendations, and the Registration Committee will monitor this progress.

Typically, reviews of this nature are conducted every 3–5 years. The Registration Committee will continue to monitor CPATA's compliance with and demonstration of fair registration principles and practices.

Sincerely,



**Tina McKay**

Chair of the Registration Committee

## Appendix A:

### General Duties:

#### Transparency:

To be transparent means that a regulator's instructions and guidelines must be clear, accurate and straightforward. This level of clarity is necessary to enable applicants to easily follow the required steps in the registration process. Transparency also demands information that can be easily understood with clear milestones to allow applicants to monitor their progress in completing the registration process.

#### Objectivity:

To be objective means that a regulator's tools, assessment criteria, procedures and training processes are designed to enhance the consistency of decision-making across applicants. Such results should be achieved regardless of the individual rendering the decision, the particular context and/or whether the determination is made by the regulator or a third-party service provider. The decision-making systems should also invest in well-trained and qualified adjudicators to promote sound, valid and reliable decisions.

#### Impartiality:

To be impartial means that a regulator must make its decisions through a process that is free of bias that, if present, could produce subjective or tainted assessments or decisions. Sources of bias could include actual or perceived conflict of interest, preconceived notions, or a lack of cultural competency. Each regulator is responsible for identifying sources of bias and for taking appropriate steps to ensure impartiality, which would normally include enhanced training and procedures to follow where an issue of bias is suspected.

#### Fairness:

Fairness must sit at the heart of the registration process for applicants who wish to join a profession, college or compulsory trade. Fairness comprises several dimensions. It is often contextual in nature and not always amenable to precise definition. It can also overlap with the first three principles discussed.

At its core, fairness means that a regulator needs to identify the steps necessary, and the documentation required, for a candidate to complete the registration process. The assessment must be rational and above-board, and not place unnecessary and ill-conceived obstacles in the way of success. Everyone should have the same prospects irrespective of their country of training or background. The process needs to be expedient. And there must be a chance for an arms-

length review if the individual disagrees with a decision. Those running the processes should embrace their responsibilities with a spirit of purpose, wisdom and empathy.

### **Specific Duties:**

Obligation 1: Provide information to applicants about registration practices and requirements.

Obligation 2: Provide timely decisions, responses and reasons to applicants.

Obligation 3: Provide applicants with an internal review of or appeal from its registration decisions.

Obligation 4: Provide information to applicants on what documentation of qualifications must accompany an application.

Obligation 5: Assess qualifications of applicants in a way that is transparent, objective, impartial and fair.

Obligation 6: Accept English and French language proficiency test results.

Obligation 7: Ensure that training is provided to the individuals assessing qualifications and making registration or internal review or appeal decisions.

Obligation 8: Provide applicants with access to their records.

Reporting Requirement: Undertake a review of registration practices and file audit reports.

Review Requirement: Requirements for Registration

Review Requirement: Efficiency and timeliness in decision-making

Review Requirement: Reasonableness of fees



## Report of the Governance Committee

TO	CPATA Board of Directors
FROM	Karima Bawa
DATE	March 22, 2024
REPORTING PERIOD	December – March 2024

### Committee Role

The Governance Committee is responsible for providing advice and recommendations to the Board on a variety of governance issues, including development of and amendments to foundational governance documents (the Act, Regulations, By-laws), nominations and elections processes, committee appointments, and development of and updates to CPATA’s Governance Policies. The Governance Committee supports the Board in meeting CPATA’s Regulatory Objectives, Standards and Principles, and operating in accordance with best practices.

### Committee Activity

The Committee has made significant progress on all items in its workplan. In particular:

1. The **annual review of governance processes** and compliance has been completed and redrafted governance policies are being presented to the Board this month for adoption.

The Committee has also reviewed and revised the **Regulatory Principles that Guide Our Work**, and a copy is being provided to the Board for your information.

2. Research and draft **self-assessments** for the Board as a whole and Directors individually, is ongoing and should be introduced in the fall. In the meantime, the Board continues to self-evaluate after each meeting.
3. The **CEO Evaluation** will take place as planned through ROAR and a 360 review.
4. The CEO presented a draft 2024 **Board Education Plan and Calendar**. In terms of orientation of new Board members, it is proposed that this be accomplished through an in-person foundational workshop held concurrently with the June AGM in Ottawa, as well as a series of ongoing recorded on-line presentations for new and returning Directors in the coming months.

The committee next meets in May.

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**Karima Bawa**

Chair of the Governance Committee

## Report of the Audit and Risk Committee

TO	CPATA Board of Directors
FROM	Bob Plamondon
DATE	March 12, 2024
REPORTING PERIOD	December 2023 to March 2024

### 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 in December 2023, the Committee met on February 20 and March 18, 2024.

At the February 20 meeting, the Committee:

1. Reviewed the Minutes and Action Log from the November 30 meeting.
2. Reviewed the internal financial statements (December 2023) and supporting information with a comparison to budget and prior year for 2023.
3. Reviewed and approved the Legislative Compliance memo and Checklist from the CEO & Registrar and CFO.
4. Reviewed a draft of the year-end Financial Statements and Notes to the Financial Statements.
5. Reviewed proposed amendments to the College's Travel and Reimbursement policy. This policy is being reworked and will be provided to the Governance Committee and Board in mid-2024.

## Upcoming Committee meetings focus

- March 18, 2024 – will mainly be focused on the year-end Audited Financial Statements and Audit Report being prepared by External Auditors Grant Thornton.
- The Financial Statements will then be presented to the Board for approval at the March 22 meeting.
- Review of the next draft of the Travel and Reimbursement Policy
- Review of the most recent internal financial reports as they become available.



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**Robert Plamondon**

Chair of the Audit and Risk Committee

# College of Patent Agents and Trademark Agents

Financial Reports - Board and A&R Committee  
as of January 31, 2024



Prepared on  
**March 8, 2024**

# College of Patent Agents and Trademark Agents

## Statement of Financial Position

As of January 31, 2024

	TOTAL	
	AS OF JAN. 31, 2024	AS OF DEC. 31, 2023 (PP)
<b>Assets</b>		
Current Assets		
Cash and Cash Equivalent		
1010 RBC Chequing Account	361,421	184,875
1500 G.I.C	0	255,662
<b>Total Cash and Cash Equivalent</b>	<b>\$361,421</b>	<b>\$440,537</b>
1230 Other current assets	0	0
1400 Prepaid expenses	11,891	16,154
<b>Total Current Assets</b>	<b>\$373,312</b>	<b>\$456,691</b>
Non-current Assets		
Property, plant and equipment		
1600 Computer Equipment	11,566	11,566
1605 Computer Equipment - Accum Amort	(6,051)	(5,910)
<b>Total Property, plant and equipment</b>	<b>\$5,515</b>	<b>\$5,656</b>
<b>Total Non Current Assets</b>	<b>\$5,515</b>	<b>\$5,656</b>
<b>Total Assets</b>	<b>\$378,827</b>	<b>\$462,347</b>
<b>Liabilities and Equity</b>		
Liabilities		
Current Liabilities		
Accounts Payable (A/P)		
2000 Accounts Payable (A/P)	54,036	101,262
<b>Total Accounts Payable (A/P)</b>	<b>\$54,036</b>	<b>\$101,262</b>
Credit Card	<b>\$1,935</b>	<b>\$1,110</b>
2010 Accrued Payables	13,910	19,272
2015 Accrued Liabilities - Comm & Reg Remuneration	79,275	72,000
2050 GST/HST Payable (Receivable)	(24,260)	(28,595)
2150 Payroll liabilities	0	0
<b>Total Current Liabilities</b>	<b>\$124,896</b>	<b>\$165,049</b>
Deferred Revenue	<b>\$90,138</b>	<b>\$0</b>
<b>Total Liabilities</b>	<b>\$215,034</b>	<b>\$165,049</b>
Net Assets		
Unrestricted Net Assets	297,298	297,298
Excess (Deficit) of Revenues over Expenditures	(133,505)	
<b>Total Net Assets</b>	<b>\$163,793</b>	<b>\$297,298</b>
<b>Total Liabilities and Equity</b>	<b>\$378,827</b>	<b>\$462,347</b>



# College of Patent Agents and Trademark Agents

## Budget vs. Actuals

January 2024

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
<b>Income</b>				
4000 Service/Fee Income				
4010 Licensee fees - Class 1	1,011	267,950	(266,940)	0.00 %
4050 Exam fees		0	0	
4055 Exam re-correction request	3,800	0	3,800	
<b>Total 4050 Exam fees</b>	<b>3,800</b>	<b>0</b>	<b>3,800</b>	
4070 Application fee income	14,300	2,820	11,480	507.00 %
4060 Certificate & Letters Fees	800	250	550	320.00 %
<b>Total 4070 Application fee income</b>	<b>15,100</b>	<b>3,070</b>	<b>12,030</b>	<b>492.00 %</b>
<b>Total 4000 Service/Fee Income</b>	<b>19,911</b>	<b>271,020</b>	<b>(251,110)</b>	<b>7.00 %</b>
<b>Total Income</b>	<b>\$19,911</b>	<b>\$271,020</b>	<b>\$ (251,110)</b>	<b>7.00 %</b>
<b>GROSS PROFIT</b>	<b>\$19,911</b>	<b>\$271,020</b>	<b>\$ (251,110)</b>	<b>7.00 %</b>
<b>Expenses</b>				
5500 Wages & Benefits	69,811	79,601	(9,790)	88.00 %
6005 Professional and consulting fees				
6010 Professional fees - Accounting Services	8,333	8,333	0	100.00 %
6020 Professional fees - Communications		1,733	(1,733)	
6030 Legal Fees	30,053	37,416	(7,363)	80.00 %
6050 Professional fees - Planning		1,208	(1,208)	
6060 Translation expenses	2,087	9,583	(7,496)	22.00 %
6210 Consulting - Communications	1,351	3,333	(1,982)	41.00 %
<b>Total 6005 Professional and consulting fees</b>	<b>41,825</b>	<b>61,606</b>	<b>(19,781)</b>	<b>68.00 %</b>
6200 Technology and Systems Expenses				
6270 IT Consultants - Network & General	968	1,063	(95)	91.00 %
6280 IT Consultant - License Systems	5,700	15,642	(9,942)	36.00 %
6290 IT Consultant - Website	2,221	1,000	1,221	222.00 %
<b>Total 6200 Technology and Systems Expenses</b>	<b>8,889</b>	<b>17,705</b>	<b>(8,816)</b>	<b>50.00 %</b>
6500 Board & Committee Governance Expenses				
6501 Board of Directors Travel & Meeting Expenses		5,000	(5,000)	
6510 Board - Remuneration	5,000	5,000	0	100.00 %
6610 Committees - Member Compensation	5,775	10,402	(4,627)	56.00 %
<b>Total 6500 Board &amp; Committee Governance Expenses</b>	<b>10,775</b>	<b>20,402</b>	<b>(9,627)</b>	<b>53.00 %</b>
6700 Registration & Exam Expenses				
6710 Consulting - Admissions		20,417	(20,417)	
6720 Reg Programs - Member Compensation		11,792	(11,792)	
6730 Exam Software costs	9,576	0	9,576	
<b>Total 6700 Registration &amp; Exam Expenses</b>	<b>9,576</b>	<b>32,209</b>	<b>(22,633)</b>	<b>30.00 %</b>
7010 Bank fees and interest	197	400	(203)	49.00 %
7020 Credit Card Processing Fees	2,524	635	1,889	397.00 %
<b>Total 7010 Bank fees and interest</b>	<b>2,721</b>	<b>1,035</b>	<b>1,686</b>	<b>263.00 %</b>
7135 Insurance	4,263	4,267	(4)	100.00 %
7205 Office Expenses				
6295 Payroll provider Fees	54	75	(21)	72.00 %



# College of Patent Agents and Trademark Agents

## Budget vs. Actuals

January 2024

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
7130 Dues and memberships	3,006	335	2,671	897.00 %
7215 Office - General expenses	351	1,000	(649)	35.00 %
7225 Telephone-Cell phone	67	80	(13)	83.00 %
7300 Software costs - Administration	1,971	2,483	(512)	79.00 %
<b>Total 7205 Office Expenses</b>	<b>5,449</b>	<b>3,973</b>	<b>1,476</b>	<b>137.00 %</b>
7310 Staff Travel and Training expenses	508	6,771	(6,263)	8.00 %
<b>Total Expenses</b>	<b>\$153,817</b>	<b>\$227,569</b>	<b>\$ (73,752)</b>	<b>68.00 %</b>
NET OPERATING INCOME	<b>\$ (133,907)</b>	<b>\$43,451</b>	<b>\$ (177,358)</b>	<b>(308.00 %)</b>
Other Income				
4220 Interest earned	542	2,083	(1,541)	26.00 %
<b>Total Other Income</b>	<b>\$542</b>	<b>\$2,083</b>	<b>\$ (1,541)</b>	<b>26.00 %</b>
Other Expenses				
8000 Amortization	141	300	(159)	47.00 %
<b>Total Other Expenses</b>	<b>\$141</b>	<b>\$300</b>	<b>\$ (159)</b>	<b>47.00 %</b>
NET OTHER INCOME	<b>\$401</b>	<b>\$1,783</b>	<b>\$ (1,382)</b>	<b>22.00 %</b>
NET INCOME	<b>\$ (133,505)</b>	<b>\$45,234</b>	<b>\$ (178,739)</b>	<b>(295.00 %)</b>



# College of Patent Agents and Trademark Agents

## Statement of Cash Flows

January 2024

	JAN. 2024	TOTAL
<b>OPERATING ACTIVITIES</b>		
Net Income	(137,825)	\$ (137,825)
Adjustments to reconcile Net Income to Net Cash provided by operations:		\$0
1400 Prepaid expenses	4,263	\$4,263
1605 Computer Equipment - Accum Amort	141	\$141
2000 Accounts Payable (A/P)	(47,226)	\$ (47,226)
2025 RBC Credit Card	825	\$825
2010 Accrued Payables	(1,042)	\$ (1,042)
2015 Accrued Liabilities - Comm & Reg Remuneration	7,275	\$7,275
2050 GST/HST Payable (Receivable)	4,335	\$4,335
2200 Deferred Revenue - Payments Received	20	\$20
2210 Deferred License Fees	82,300	\$82,300
2211 Deferred License Fees - Class 2	1,169	\$1,169
2250 Deferred Exam Fees	6,650	\$6,650
<b>Total Adjustments to reconcile Net Income to Net Cash provided by operations:</b>	<b>58,709</b>	<b>\$58,709</b>
<b>Net cash provided by operating activities</b>	<b>\$ (79,116)</b>	<b>\$ (79,116)</b>
<b>NET CASH INCREASE FOR PERIOD</b>	<b>\$ (79,116)</b>	<b>\$ (79,116)</b>

## Memorandum

<b>TO</b>	<b>Audit &amp; Risk Committee, Board of Directors</b>
<b>FROM</b>	<b>Juda Strawczynski, CEO &amp; Registrar and Sean Walker, CFO</b>
<b>DATE</b>	<b>March 18, 2024</b>
<b>SUBJECT</b>	<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 October 1 to December 31, was filed with CRA on January 25. The refund was received on February 5<sup>th</sup>.

### 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 February 2024.

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. T4's have been sent to CRA and made available for employees and Board members. We have received confirmation of acceptance of filing the T4's from CRA, and RL-1 forms from Revenu Quebec.

T4A's for Committee members were mailed out and filed with CRA during the week of February 12<sup>th</sup>.

### 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 5<sup>th</sup> 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 will be published along with the Audited Financial Statements on the CPATA Website before March 31 and will also be provided to the Minister. These will be 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 the previous report we noted that the Commissioner of Official Languages has issued a preliminary report to follow up on its Final 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.

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. CPATA provides regular training through a variety of measures to ensure that employees are periodically reminded and informed of their language obligations. We have reached out to the Commissioner's office to provide further information to demonstrate how CPATA is meeting the recommendations arising from the Commissioner's Final Investigation Report and to share our view that we are now fully meeting our obligations.

### 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)**

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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.

**Legislative Compliance Certificate  
CONFIRMATION OF STATUTORY OBLIGATIONS  
For the period: ending February 29, 2024**

	<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>

## Memorandum

TO	CPATA Board of Directors
FROM	Juda Strawczynski
DATE	March 22, 2024
SUBJECT	Regulatory Principles that Guide our Work (Updated 2024)

### BACKGROUND

CPATA adopted its Regulatory Principles that Guide our Work as a benchmark against which CPATA can measure itself against regulatory best practices. The document is based on Harry Cayton's Checklist for Regulatory Boards, November 2021.

The Board determined that it will review and update this benchmark on an annual basis. It was last reviewed in May 2023. The Governance Committee has undertaken this responsibility on behalf of the Board, and conducted its annual review at its last meeting.

The Regulatory Principles that Guide our Work as of January 2024 is attached for the Board's information. The 2023 review is also provided as a point in time comparison. The 2024 update demonstrates that CPATA continues to follow regulatory best practices and engages in ongoing efforts to continue to do so.



**Juda Strawczynski**  
CEO & Registrar

Materials:

2024-01-15 Regulatory Principles That Guide Our Work

2023-04-17 Regulatory Principles That Guide Our Work

# Regulatory Principles That Guide Our Work as of January 2024

Based on Harry Cayton's *Checklist for Regulatory Boards*, November 2021

CPATA assessments: 2022, May 2023, January 2024

<p><b>1. Be clear about your purpose as a regulator; keep the public interest as your unremitting focus.</b></p>
<p>Adopted Regulatory Objectives (which as 'living documents' may evolve over time), Standards and Principles to guide all regulatory work.</p> <p>Material presented to the Board for decisions is always connected to public interest and, if applicable, the ROs. Updated Board Governance Policies (March 2024) and Board self-assessment tools clearly reflect the unremitting focus on the public interest.</p>
<p><b>IN PROGRESS:</b></p> <p>Draft revisions to Board Governance Policies (to the Board for approval March 2024) and Board self-assessment (to the GC February 2024) focus on these principles</p>
<p><b>2. Set long-term aims and shorter-term objectives</b></p>
<p>Long-term – Development of Strategic Framework 2023-2025 completed and progress being monitored and evaluated Short-term – Annual Work Plans approved by Board</p>
<p><b>3. Agree how to deliver and monitor those aims and objectives</b></p>
<p>Regular Monitoring Reports presented to Board from all committees/programs Board and Director self-assessments launched February 2024</p>
<p><b>IN PROGRESS:</b></p> <ul style="list-style-type: none"> <li>- Board receives regular reports from the CEO on strategic plan, annual work plan and risk register.</li> <li>- Board receives reports from Board Committees at each Board meeting following Committee meetings.</li> <li>- Outcomes measurement to be developed so there is reporting on all regulatory work and progress toward achieving the approved objectives.</li> </ul>
<p><b>4. Have competencies for board members whether elected or appointed and apply them to everyone through a selection or nominations process, induction, and regular appraisal</b></p>
<p>Board adopted a <a href="#">Skills and Attributes Matrix</a> Shared with ISED to assist with Board Appointments; shared with candidates for elected Directors</p>

# Regulatory Principles That Guide Our Work as of January 2024

Based on Harry Cayton's *Checklist for Regulatory Boards*, November 2021

CPATA assessments: 2022, May 2023, January 2024

Updated Board Governance Policies (March 2024) elaborate on role, responsibilities and expectations of the Board and individual Directors.
<b>IN PROGRESS:</b> <ul style="list-style-type: none"><li>- The Board as a whole and individual Directors will engage in self-evaluation based on skills matrix.</li><li>- Board undergoes continuous education in accordance with an education plan to continuously improve on collective and individual competencies.</li><li>- In addition to competencies for board members, with respect to Committees, skills matrices were developed, and are reviewed annually and updated as needed.</li></ul>
<b>5. Have a code of conduct for board members and enforce it</b>
Revised Board Governance Policies (March 2024) expand and refine the Code of Conduct based on best practices and experience to date.
<b>IN PROGRESS:</b> <p>CPATA is in the progress of updating its Board policies. It expects to review and approve the updated Board policies in March 2024, and to continue to review them annually (and update as needed).</p>
<b>6. Declare conflicts of interest, keep a register of interests, and ensure that decisions are not tainted by partiality or bias</b>
The Board Governance Policies and Code of Conduct provide enhanced guidance re conflicts. Conflicts checks are a part of each Board and Regulatory Committee agenda.
<b>IN PROGRESS:</b> <p>A 'register of conflicts' is being developed as part of the updated Governance Policies to be included with individual director reporting on their skills, attributes and knowledge matrix, and in annual self-assessments, to proactively identify director involvement in other initiatives, as an early warning system to help reduce the risks of conflicts.</p>

# Regulatory Principles That Guide Our Work as of January 2024

Based on Harry Cayton's *Checklist for Regulatory Boards*, November 2021

CPATA assessments: 2022, May 2023, January 2024

<b>7. Behave with respect and courtesy towards board members and others</b>
Based on Board surveys, Committee and staff engagement, Directors, Committee members and staff are acting at high levels of respect, courtesy and professionalism. The updated Board Governance Policies expand on expectations in this regard and include a process for addressing concerns or complaints against Directors or Chair. The Board and Director self-assessments evaluate in this area.
<b>8. Commit to corporate decision-making and to corporate responsibility for decisions made.</b>
<b>IN PROGRESS:</b> Governance Committee has prepared a Board and individual Director Evaluation process that permits reflective assessment of adherence to these principles.
<b>9. Appoint a competent CEO and trust them</b>
<ul style="list-style-type: none"><li>- Annual performance reviews and clear lines of accountability are in place.</li><li>- In 2022, the Board oversaw a national search based on an approved position description resulting in the hiring of a new CEO &amp; Registrar for 2023 together with a transition plan for exiting and incoming CEOs.</li><li>- The new Board and Director self-assessments include questions relating to effective, open and trusting working relationships with the CEO.</li></ul>
<b>10. Ask for reports that include what you need to know not everything you might want to know</b>
The CPATA Board has received reports on key areas of policy and operational development since inception. The nature of reporting to the Board will continue to evolve to meet this standard. Reporting should be consistent and reflect information such as how the issue impacts the public interest, costs, impact/effect on current policy, and if stakeholder consultation has taken place.
<b>IN PROGRESS:</b> <ul style="list-style-type: none"><li>- CPATA continues to evolve its reporting. Since 2023, the Board receives reports from Committees at each meeting and at least annually invites Committee Chairs to attend a Board meeting. The Board also receives programmatic reporting (such as professional competency and professional responsibility) and a reporting schedule for key Board oversight areas. Staff are using a Board report template to develop report consistency. It is expected that the information / depth of Board reports will continue to evolve.</li></ul>



# Regulatory Principles That Guide Our Work as of January 2024

Based on Harry Cayton’s *Checklist for Regulatory Boards, November 2021*

CPATA assessments: 2022, May 2023, January 2024

<ul style="list-style-type: none"> <li>- In 2023 CPATA staff developed and have started to use a Decision Matrix to evaluate policies and programs that considers whether an issue falls within CPATA’s jurisdiction, how the issue impacts the public interest, and embeds key decision-making considerations including costs/effects on current policies, stakeholder engagement. This approach is used to inform Board reporting.</li> </ul>
<p><b>11. Make clear decisions and follow-up on their implementation</b></p>
<p>Board resolutions are typically circulated in advance and adopted subject to Board revisions. Implementation is reported on by the CEO.</p>
<p><b>12. Provide the resources needed to deliver your objectives</b></p>
<p>Board approves the budget which is designed around planned activities and approved programs. The Board approves the Budget after it is prepared by staff and reviewed by the Audit and Risk Committee. The budgets to date have been developed to enable CPATA to launch and maintain its core operations.</p>
<p><b>IN PROGRESS:</b></p> <p>Future budgets are expected to be designed around planned activities found in a multi-year Strategic Plan. The Board will also be moving towards multi-year budget planning.</p> <p>The CEO takes steps to ensure CPATA has a fully trained and appropriately compensated staff team that can fully support all operations, and who are committed to and engage in ongoing professional development.</p>
<p><b>13. Make independence, fairness, and justice for the public and registrants the core values of registration and complaints and discipline</b></p>
<p>CPATA Act established independent Investigation and Discipline Committees, Board established independent Registration Committee – all have final decision-making authority. Directors do not participate in regulatory decision-making. The amended By-laws (May 2023) provide for review/appeal processes respecting decisions of the CEO and regulatory committees.</p>
<p><b>IN PROGRESS:</b></p> <ul style="list-style-type: none"> <li>- An appropriate reporting regime is in place so that regulatory committees provide regular reports to the Board that account for ‘independence, fairness, and justice for the public and registrants’.</li> </ul>

# Regulatory Principles That Guide Our Work as of January 2024

Based on Harry Cayton's *Checklist for Regulatory Boards*, November 2021

CPATA assessments: 2022, May 2023, January 2024

- A policy framework and training plan are in place for all regulatory committees to support fair, consistent, high quality and expedient decision-making.
- Decisions of the Investigations Committee are summarized, de-identified and published.
- Notices of Application and decisions of the Discipline Committee are transparent and published. Discipline proceedings are open to the public.
- Newsletter articles provide transparency and education relating to the agent conduct and ethics inquiry processes.

## 14. Continue to keep the public interest as your unremitting focus

Links and reference to the public interest is an aspect of all Board policies and decisions. Updated Board Governance Policies focus and expand on application of public interest factors and principles in all decision making. The Regulatory Objectives, Standards and Principles are core.

# Regulatory Principles That Guide Our Work as of May 2023

Based on Harry Cayton’s *Checklist for Regulatory Boards, November 2021*

CPATA’s initial assessment: 2022

CPATA Board Review: 2023

<p><b>1. Be clear about your purpose as a regulator; keep the public interest as your unremitting focus.</b></p>
<p>Adopted Regulatory Objectives (which as ‘living documents’ may evolve over time), Standards and Principles to guide all regulatory work.</p> <p>Material presented to the Board for decisions is always connected to public interest and, if applicable, the Ros</p>
<p><b>IN PROGRESS:</b></p> <ul style="list-style-type: none"> <li>- The Board Policy on ‘Public Interest’ was the subject of consultation. Once feedback is incorporated as applicable, the draft will be returned to the Board for approval in fall 2023.</li> </ul>
<p><b>2. Set long-term aims and shorter-term objectives</b></p>
<p>Long-term – Development of Strategic Framework 2023-2025 Short-term – Business Plan</p>
<p><b>3. Agree how to deliver and monitor those aims and objectives</b></p>
<p>First Monitoring Report presented March 2022</p>
<p><b>IN PROGRESS:</b></p> <ul style="list-style-type: none"> <li>- Board will receive regular reports from the CEO on strategic plan, business plan and risk register.</li> <li>- Board will continue to receive reports from Board Committees quarterly.</li> <li>- Outcomes measurement to be developed so there is reporting on all regulatory work and the approved objectives.</li> </ul>
<p><b>4. Have competencies for board members whether elected or appointed and apply them to everyone though a selection or nominations process, induction, and regular appraisal</b></p>
<p>Board adopted a <a href="#">Skills and Attributes Matrix</a> Shared with ISED to assist with Board Appointments; shared with candidates for elected Directors</p>

# Regulatory Principles That Guide Our Work as of May 2023

Based on Harry Cayton's *Checklist for Regulatory Boards*, November 2021

CPATA's initial assessment: 2022

CPATA Board Review: 2023

**IN PROGRESS:**

- Directors will engage in self-evaluation based on skills matrix.
- Board will obtain education to continuously improve on collective and individual competencies.
- In addition to competencies for board members, with respect to Committees, skills matrices were developed, and are reviewed annually and updated as needed.

**5. Have a code of conduct for board members and enforce it**

Adopted Board Policy No. 3.

**IN PROGRESS:**

- CPATA is in the progress of updating its Board policies. It expects to review Board policies annually (and update as needed).

**6. Declare conflicts of interest, keep a register of interests, and ensure that decisions are not tainted by partiality or bias**

Conflicts check a part of each agenda.

**IN PROGRESS:**

- A 'register of involvement' is being developed to be included with individual director reporting on their skills, attributes and knowledge matrix to proactively identify director involvement in other initiatives, as an early warning system to help reduce the risks of conflicts.

**7. Behave with respect and courtesy towards board members and others**

Based on Board surveys, Committee and staff engagement, Directors, Committee members and staff are acting at high levels of respect, courtesy and professionalism.

**8. Commit to corporate decision-making and to corporate responsibility for decisions made.**

**IN PROGRESS:**

- Governance Committee exploring a Board Evaluation process.

# Regulatory Principles That Guide Our Work as of May 2023

Based on Harry Cayton's *Checklist for Regulatory Boards*, November 2021

CPATA's initial assessment: 2022

CPATA Board Review: 2023

<b>9. Appoint a competent CEO and trust them</b>
Annual performance reviews and clear lines of accountability are in place. In 2022, the Board oversaw a national search based on an approved position description resulting in the hiring of a new CEO & Registrar for 2023 together with a transition plan for exiting and incoming CEOs.
<b>10. Ask for reports that include what you need to know not everything you might want to know</b>
The CPATA Board has received reports on key areas of policy and operational development since inception. The nature of reporting to the Board will continue to evolve to meet this standard. Reporting should be consistent and reflect information such as how the issue impacts the public interest, costs, impact/effect on current policy, and if stakeholder consultation has taken place.
<b>IN PROGRESS:</b> <ul style="list-style-type: none"><li>- CPATA continues to evolve its reporting. Starting in 2023, CPATA expects to develop quarterly reports from Committees to the Board, as well as a reporting schedule for key Board oversight areas. Staff are using a Board report template to develop report consistency. It is expected that the information / depth of Board reports will continue to evolve.</li><li>- In 2023 CPATA staff developed and have started to use a Decision Matrix to evaluate policies and programs that considers whether an issue falls within CPATA's jurisdiction, how the issue impacts the public interest, and embeds key decision-making considerations including costs/effects on current policies, stakeholder engagement. This approach is used to inform Board reporting.</li></ul>
<b>11. Make clear decisions and follow-up on their implementation</b>
Board resolutions are typically circulated in advance, and adopted subject to Board revisions. They are reported on by the CEO.
<b>12. Provide the resources needed to deliver your objectives</b>
Board approves the budget which is designed around planned activities and approved programs. The Board approves the Budget after it is prepared by staff, and reviewed by the Audit and Risk Committee. The budgets to date have been developed to enable CPATA to launch its core operations.

# Regulatory Principles That Guide Our Work as of May 2023

Based on Harry Cayton's *Checklist for Regulatory Boards*, November 2021

CPATA's initial assessment: 2022

CPATA Board Review: 2023

**IN PROGRESS:**

Future budgets are expected to be designed around planned activities found in a multi-year Strategic Plan. The Board will also be moving towards multi-year budget planning.

**13. Make independence, fairness, and justice for the public and registrants the core values of registration and complaints and discipline**

CPATA Act established independent Investigation and Discipline Committees, Board established independent Registration Committees – all have final decision-making authority. Directors do not participate in regulatory decision-making.

**IN PROGRESS:**

Establishing an appropriate reporting regime so that Regulatory Committees provide regular reports to the Board that account for 'independence, fairness, and justice for the public and registrants'.

**14. Continue to keep the public interest as your unremitting focus**

Links and reference to the public interest is an aspect of all Board policy decisions.

**IN PROGRESS:**

Draft Policy on Public Interest is currently subject to consultation before it returns to the Board for approval.

## Professional Responsibility Program Report

TO	CPATA Board of Directors
FROM	Victoria Rees, General Counsel, Professional Regulation
DATE	March 22, 2024
REPORTING PERIOD	December 2023 to March 2024

### 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.

During this reporting period, we received 11 ethics inquiries, which is a high number compared to previous periods. We prepared four ethics education articles for the newsletter, including a wrap-up of inquiry themes for 2023 [\[link to article\]](#).

#### 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.

For this reporting period, we responded to 9 agent conduct inquiries. This is a notable increase from similar periods in 2022 and 2023. 8 were resolved through informal means with no referral to the IC, and 1 remains outstanding.

## 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.

For this reporting period, we have received no new complaints, and have one investigation ongoing from the previous period.

## Unauthorized Practice Concerns

CPATA has adopted a measured, proportional and risk-focused approach to concerns with unauthorized practice. In addition to investigating concerns that are brought to our attention by licensees or members of the public, we are now also following up with suspended licensees who have failed to update their social media and web presences to reflect that they are no longer authorized to engage in practice.

For this reporting period, we followed up with 6 suspended licensees, and one responded to inquire into reinstating her license. With the help of a provincial law society, we were able to resolve a complaint received from a member of the public in 2023. Another matter resulted in a letter of warning to a law firm about misleading advertising, and this was corrected by the law firm within hours of receiving our notice.

## Other PR Matters

The Board is aware that an application for Judicial Review was 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 and then the fall of 2023, but delayed by the Applicant. A new date has been set for April 3, 2024.

Planning is underway for enhanced on-line and video education for licensees about their duties under the Code of Conduct.

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

**Victoria Rees**

General Counsel, Professional Regulation

## CEO Report

TO	CPATA Board of Directors
FROM	Juda Strawczynski
DATE	March 22, 2024
REPORTING PERIOD	January 1 to March 15, 2024

### Background

The purpose of this report is to provide the Board with an update on CPATA's operations and work to advance CPATA's priorities as identified in [CPATA's Strategic Framework for 2023-2025](#). This report focuses on the operations, relationships and communications, and governance priorities. (Updates on professional regulation and professional development and competency are separate reports in the Board materials.)

### 1. Operations

#### 1.1 Organizational and Regulatory Infrastructure

A key part of CPATA's Strategic Framework relates to continuing to build necessary regulatory infrastructure. In early 2024 CPATA successfully migrated to a new online registry and agent portal system which represents a key infrastructure milestone.

The new Public Register is at [Find an Agent - CPATA \(cpata-cabamc.ca\)](https://cpata-cabamc.ca). It has enhanced search capabilities so that the public can search by name, license class, firm and/or location. We have already received positive comments about the new registry functionality.

Licensees have also migrated to the new Licensee Portal system. Our team provided personalized customer support to licensees and the shift to the new portal was a success.

#### 1.2 2024 Renewals

On February 15<sup>th</sup> we also opened our annual license renewals using our new agent portal system. Licensees have until April 2 to complete the annual renewal process. We already have licensees registering and paying their 2024 fees and firms setting up for our bulk payments option. Our team has been providing support to licensees and has maintained an average response time of one business day in replying to inquiries. I will provide a renewals snapshot at the Board meeting.

## 2. Relationships and Communications

It's been a busy start to the year continuing to build relationships with licensees, government, the intellectual property community, and professional regulators. Highlights include:

- Meeting with Konstantinos Georgaras, Chief Executive Officer of the Canadian Intellectual Property Office (CIPO) and ISED staff in Ottawa to provide an update on CPATA's work since coming into force, continue to strengthen relationships with CIPO and develop pathways for further collaboration.
- Presenting at the Law Society of Ontario's continuing professional development program [28<sup>th</sup> Intellectual Property Law: The Year in Review](#). The program, co-chaired by Director Andrew Currier, included the panel CPATA Overview: Regulation, Jurisdiction, and Implications for Your Practice. Andrew Currier moderated a panel featuring CPATA's CEO, Paula Clancy, President of IPIC, and Jordan Furlong (Law21). The conference was also an excellent opportunity to meet and hear from licensees.
- Continuing to maintain regular communications with IPIC at all staff levels, sharing key information including with respect to professional liability insurance and IPIC's recent licensee compensation survey.
- Attending the Innovation Asset Collective's Toronto event [Leveraging IP to Compete in Cleantech](#).

CPATA also engages with other professional regulators to share information, learn about and share best practices, and understand regulatory trends both generally and in patent agent and trademark agent regulation. Key initiatives include:

- Serving as a panelist at the CNAR (Canadian Network of Agencies for Regulation) Winter Workshop "[Right Touch Regulation in Action](#)".
- Engaging with different law societies on areas of shared regulatory interest.
- Participating in two different surveys around public interest regulation in times of change.

## 3. Governance

CPATA's Board consists of five appointed and four elected Directors. In 2024 CPATA will be holding elections for two elected Director positions and will be working with government to fill two public interest Director roles appointed by the Minister or ISED.

### 3.1 2024 Director Election

In April 2024, CPATA will hold elections for one patent agent and one trademark agent Director to serve on the Board. Following the Director orientation sessions (in English and French), CPATA received nominations for three patent agent candidates and three trademark agent candidates. Candidate information is online at [Elections - CPATA \(cpata-cabamc.ca\)](#).

### 3.2 2024 Minister Director appointment process

The terms of two Directors appointed by the Minister of Innovation, Science and Economic Development Canada expire this year. CPATA continues to liaise with government with respect to the appointment process and will be providing input based on the **Skills & Attributes Matrix** that the Board has approved outlining the range of experience, knowledge, attributes and skills the Board of Directors should collectively possess.

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#### **Juda Strawczynski**

CEO and Registrar

## Memorandum

TO	Board of Directors
FROM	Karima Bawa, Chair, Governance Committee
DATE	2024-03-04
SUBJECT	CPATA Updated Governance Policies

### Background

The current governance policies were created during CPATA's start-up operations in 2021 and early 2022 to give life to and communicate the unique regulatory and operational approaches adopted by the Board at that time. There are now 11 separate policies. While they cover key areas of regulation and operation, they have not been updated for Act and By-law amendments, have become repetitive and require other updates. Further, unlike the approach taken by most modern regulators, they do not exist as one complete resource document.

On this basis, the Governance Committee agreed that the governance policies would benefit from a complete review with the goal of making improvements that reflect current, and support future, regulatory and operational approaches based on evolving best practices. Research for these purposes was undertaken by Victoria Rees, General Counsel, Professional Regulation through the summer of 2023. The first drafts of the revised policies were presented to the Governance Committee in October 2023. The Committee reviewed them again in February and is now bringing them forward to the Board for approval and adoption.

### Key elements in the revised policies

The revised policies accomplish the following:

- They combine all policies into one main document, with multiple appendices. This provides users with a streamlined and consolidated location to access all current governance policies adopted by the Board
- They are formatted for our virtual environment, and once approved will be linked and able to be searched by word or topic
- The format also serves to facilitate future amendments by being housed in one document
- The revisions correct and update the current policies where required
- Some areas have been reduced in length where appropriate based on our experience applying them over the past three years (e.g. meeting procedures, CEO expectations), while others have been expanded where additional guidance is appropriate (e.g. duties of confidentiality, complaints processes, whistleblowing)

- Where appropriate, the policies now have broader application to Board and committee members, as well as staff in some cases; e.g. duties of confidentiality, conflicts of interest
- A substantial portion of the current policies has been maintained (e.g. public interest, privacy, OLA, Code of Conduct), and in some cases just reorganized
- Certain policies have been deleted where the substance is now contained in the by-laws (e.g. reimbursement) or have been incorporated into another policy
- The appendices contain relatively minor edits to reflect the new governance policies and for consistency in approach.

## Conclusion

The proposed revised governance policies reflect CPATA's commitment to continuously evolve and adopt best practices, to monitor and make improvements to how the Board and committees do their work, and to be fully transparent and accountable. The policies reflect CPATA's strong governance framework and key fiduciary duties and responsibilities, while building on CPATA's Regulatory Objectives, Standards and Principles and establishing aspirational and measurable goals.

The Governance Committee recommends that the Board adopt the revised policies and appendices.

**Karima Bawa, Chair**  
**Governance Committee**

### Materials:

Draft Governance Policies  
Draft Appendices

## College of Patent Agents and Trademark Agents

### Governance Policies and Practices

Draft v.11 2024-03-13

### Executive Summary

The College of Patent Agents and Trademark Agents Act was enacted in 2018 and an interim Board appointed in 2019. In 2022, CPATA's permanent Board assumed responsibility with five directors appointed by the Minister of Innovation, Science and Industry and four directors elected by the profession. An interim CEO was appointed in 2020 and was succeeded by a permanent CEO in January 2023.

Since its inception, the Board has committed to being a modern, independent public interest regulator. This has included the development of policies and procedures that support CPATA's Regulatory Objectives, Standards and Decision-Making Principles, reflect a strong commitment to transparency and accountability and incorporate best practices in professional regulation and governance.

The Governance Policies and Practices describe how CPATA operates, and are geared towards assisting the Board, committee members, the CEO and staff primarily, as well as licensees and the public, to understand how CPATA's work gets done. This document provides an overview of the objectives, standards, principles and regulatory approach CPATA strives to bring to its work at all levels and documents the policies and procedures that support this work and approach. Other documents and reports explain the full range of CPATA's operations, and these policies are not intended to be authoritative: the authoritative documents are the *CPATA Act*, Regulations, By-laws, and formal policies set out in the attached Appendices, among others.

While informative for any reader, the Governance Policies and Practices provide existing and new Board and committee members, the CEO and staff with a clear understanding of the foundations on which CPATA strives to carry out its work and serves as a resource to support excellence and consistency in decision-making in the public interest.

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# College of Patent Agents and Trademark Agents (CPATA): Governance Policies and Practices

## Part I: Governance Framework

### 1.1 The role of CPATA

The Government of Canada enacted the *College of Patent Agents and Trademark Agents Act (CPATA Act)* in 2018, as part of its National Innovation Strategy<sup>1</sup>. CPATA was created by statute effective June 28, 2021, with the purpose of regulating patent agents and trademark agents in Canada in the public interest, in order to enhance the public's ability to secure the rights provided for under the *Patent Act* and *Trademarks Act*.<sup>2</sup>

In accordance with the CPATA Act, Regulations, By-laws and Regulatory Objectives, the College is responsible for protecting the public interest by:

- setting competence standards for the profession and administering entry requirements that address those standards;
- implementing the Code of Professional Conduct established by the Minister of Innovation, Science and Industry;
- administering a fair and open process to respond to concerns about the competence or conduct of agents;
- establishing expectations for liability insurance, continuing professional development, and pro bono requirements; and,
- promoting innovation in the delivery of patent and trademark services.

In addition to the *CPATA Act* and Regulations<sup>3</sup>, CPATA's By-laws and policies define the mandates and processes for our regulatory programs, including entry to and continuing licensure. The Regulatory Objectives, Regulatory Standards and policies describe, among other things:

- i. what CPATA is to accomplish;
- ii. CPATA's activities and how those programs are carried out; and
- iii. how CPATA makes regulatory decisions.

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<sup>1</sup> College of Patent Agents and Trademark Agents Act S.C. 2018, C. 27, s. 247, as amended ...[the Act]

<sup>2</sup> Ibid s. 6

<sup>3</sup> CPATA's regulations are enacted by Order-in-Council P.C/C.P. 2021-526

## 1.2 Regulatory Objectives

The *CPATA Act*, Regulations, By-laws, Board Policies and Registrar's Policies define the mandates and processes for CPATA's regulatory programs and activities.

CPATA's Regulatory Objectives describe what is to be accomplished in clear and measurable terms and based on key foundational principles, as follows:

To advance its role as a risk-focused, modern public interest regulator, CPATA has adopted as its Regulatory Objectives that it will strive to:

1. protect and promote the public interest in patent and trademark services;
2. protect those who use patent and trademark services;
3. promote innovation in the delivery of patent and trademark services and the protection of intellectual property rights;
4. support access to and promote competition in the provision of patent and trademark services;
5. promote the independence of the trademark and patent professions;
6. oversee the ethical and competent delivery of patent and trademark services by licensees; and
7. promote equity, diversity and inclusion in the patent and trademark professions and in the delivery of patent and trademark services.

These Regulatory Objectives provide an aspirational roadmap for all aspects of CPATA's and the Board's work and guide and support fulfilment of CPATA's mandate.

## 1.3 Regulatory Standards

CPATA has also adopted the following Regulatory Standards:

- i. We maintain standards for the ethical and competent delivery of patent and trademark services and enforce compliance with those standards.
- ii. We maintain up-to-date practice standards for licensees and provide guidance in applying the standards.
- iii. We maintain standards for education, training and fitness to support an admission program that is transparent and designed to deliver competent trainees that meet the CPATA's requirements for registration.
- iv. We understand the diversity of licensees and those who interact with them.
- v. We have fair processes for raising concerns about a licensee, and for examining and investigating those concerns. We support parties in the Professional Responsibility Process.

## 1.4 Protecting the Public Interest

*For the general public:*

Regulating in the public interest includes regulating in a manner that builds trust among the general public, so they may be confident we are working to strengthen the competencies of patent agents and trademark agents and helping build and support accessible, ethical and high-quality intellectual property services in Canada. CPATA's work is transparent and decisions are made on the basis of a balancing of interests and an assessment of risk to all of the 'publics' we serve.

*For innovators and other clients of patent agents and trademark agents:*

Regulating in the public interest includes considering the needs of those seeking access to the professional services provided by patent agents and trademark agents. Clients and prospective clients should be able to, for example, search CPATA's Registry to be able to find an agent and confirm that the agent is in good standing. We also protect those who use agency services. CPATA has created proactive processes to oversee the competent and ethical delivery of services by licensees and has developed accessible means by which clients and others can inquire about agent conduct. CPATA has transparent complaints, investigations and discipline processes so that the public, licensees and complainants understand our role and what to expect from CPATA. CPATA also has created professional liability insurance requirements as a further level of public protection.

*For patent agent and trademark agent licensees:*

CPATA regulates licensees. We set the standards for entry into the professions and the competencies expected of patent agents and trademark agents, and we oversee and support the ethical and competent delivery of their professional services. CPATA offers licensees ethics education and a proactive ethics inquiry process and has created an agent conduct inquiry and complaints process that helps to both resolve concerns in an efficient and informal way, as well as permit the early dismissal of complaints that do not raise concerns of professional misconduct or incompetence. Decisions made at all levels of CPATA involve a balancing of interests and evaluation of risk to all of the 'publics' we serve. When CPATA engages in setting practice standards, we regularly seek input from the professions to understand the implications and impacts that changes may have on a diverse profession practicing in diverse settings.

All decisions of the Board, committees and the CEO/Registrar are driven by consideration of relevant public interest factors. The public interest guides CPATA's operations and governance. Principles of accountability, consistency, openness and accessibility are part of this foundation.

To understand more about what it means for CPATA to consider the public interest when making decisions at any level, refer to *Appendix A: Public Interest Considerations and CPATA's Decision-Making*.

**1.5 Decision-making Principles** The Board has adopted decision-making principles to support excellence and consistency in decision-making across the organization. These principles are set out in Appendix B.

## **1.6 CPATA's Regulatory and Governance Model**

CPATA is a modern, risk-based and outcomes-focused regulator. It is committed to applying 'Right Touch Regulation'<sup>4</sup> to all of its regulatory activities.

CPATA has a Board of Directors composed of a majority of non-licensee directors, five committees, a CEO/Registrar and staff. The work of the Board is supported by the five committees: the Investigations Committee, Discipline Committee, Registration Committee, Governance Committee and Audit and Risk Committee. The Board's instructions are carried out by committees and by the CEO/Registrar, who employs the staff.

For purposes of these policies, unless stated otherwise, 'CEO' refers to both the CEO and Registrar, as both positions are filled by one individual.

CPATA's policies are designed to strive for high quality regulation that supports CPATA's work. Our regulatory practices and operations are modelled after those of best-in-class regulators around the world. CPATA is:

- **professionally managed:** regulation of the profession is important work and requires staff with the appropriate experience and expertise in professional services regulation.
- **national:** patent agent and trademark agent licensees are regulated at the federal level by CPATA.
- **bilingual:** CPATA operates in both official languages and carries out all activities and serves the profession and public in their official language of choice.
- **virtual:** CPATA's primary mode of doing business is digital, without physical office space. Almost all meetings are held on-line. A number of Board meetings and all discipline hearings are broadcast online and recorded.
- **open and transparent:** CPATA is clear about its purpose and open and transparent in all processes. Regulatory requirements, ethical guidance, policies, processes and decisions are published and CPATA reports on its performance and outcomes. Information about licensees is accessible and accurate.
- **principled:** CPATA strives to apply policies in a principled manner, proportionately, fairly and efficiently, with decisions clearly explained, including their public interest rationale.

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<sup>4</sup> Right Touch Regulation is a regulatory decision-making approach that focuses on using the right or appropriate amount of regulation to achieve the desired results. It involves a proper assessment of risk and the implementation of regulatory action that is proportionate to the risk. For examples, see the College of Registered Nurses of Alberta [www.nurses.ab.ca](http://www.nurses.ab.ca), and Professional Standards Authority for Health and Social Care [www.professionalstandards.org.uk](http://www.professionalstandards.org.uk) "What is Right Touch Regulation?".

- **proactive and proportionate:** CPATA identifies and manages risks to the public by taking a risk-based approach and focusing resources on licensees most likely to harm clients or the public.
- **fair:** CPATA promotes equity, diversity and inclusion in the patent and trademark professions with due regard to the need to eliminate unlawful discrimination and harassment.
- **compliant:** CPATA complies with its obligations under the *Canadian Human Rights Act*, the *Privacy Act*, the *Official Languages Act* and the *Access to Information Act*.
- **expert:** in developing policies and advancing its objectives, CPATA obtains expert advice as required, conducts research relevant to the matters under consideration and seeks input from interested stakeholders as appropriate.
- **collaborative:** CPATA is committed to consulting with stakeholders, so it understands the impact and results of its plans and regulatory decisions, including the policies put in place.
- **evaluative:** CPATA evaluates its governance and regulatory processes and standards so they continue to meet expected requirements.

## Part 2: Governance Process and Decision-Making

### 2.1 Manner of Governance

The Board of Directors has the overall responsibility to see that CPATA performs the role described in the *CPATA Act*. It does so by instructing the CEO and then monitoring what CPATA is doing and most importantly, what it is accomplishing. The Board gives its primary instructions by enacting core policies which set the tone for what CPATA does and how it does it in accordance with the Regulatory Objectives, Regulatory Standards and Regulatory Principles. It also adopts annual business plans and budgets as well as a Strategic Plan. The Board's instructions are carried out by the CEO, staff and committees.

CPATA's Board has determined it will be a Policy Board. Its authority and key functions are set out in the By-laws and focus on making policy decisions that direct the organization, the CEO and committees. The term 'policies' refers to different kinds of documents, enacted by different bodies within CPATA.

Policy directions will most often involve articulating a measurable outcome or goal that will require resources to achieve. The Board then monitors CPATA's compliance with those policies, through the achievement of those outcomes or goals. These governance policies guide how CPATA operates.

The Board has the following responsibilities under the By-laws and good governance practices:

1. Oversee management of the organization
2. Determine governance, regulatory and other directional policies
3. Governance
4. Financial oversight and stewardship of CPATA's resources

5. Awareness of organizational risk and mitigation steps
6. Other responsibilities including:
  - a. Addressing matters assigned to the Board through the *CPATA Act*, By-laws and by the Minister; and
  - b. Undertaking such other matters as the Board considers necessary to achieve the purposes of CPATA.

## 2.2 Board Composition

The *CPATA Act* provides that CPATA has a Board of Directors composed of at least seven directors (currently nine), including the Chair of the Board. The Board is composed of a mixture of appointed non- licensee directors and elected licensee directors, always with a majority of non-licensees.

By order, the Minister of Innovation, Science and Industry fixes the number of directors and may fix the number of appointed directors.

Appointed directors are non-licensees who are appointed by the Minister. The term of the appointed directors is at the discretion of the Minister.

Elected directors are licensees who are elected by the profession to contribute IP subject-matter expertise to the public interest mandate of CPATA's Board of Directors. At least one elected director must be a patent agent and at least one must be a trademark agent.<sup>5</sup> The directors elected from among the licensees are not permitted to be members of any organization that advocates on behalf of patent agents or trademark agents. The term of the elected directors is typically three years.

The Chair of the Board is elected from among the directors, by the directors. The Chair leads all meetings unless unavailable or conflicted, works with the CEO to set meeting agendas, acts as a key link between the CEO and the Board (although not as the CEO's supervisor) and is responsible for the annual evaluation of the CEO (delegated to the Governance Committee). On occasion the Chair of the Board speaks on behalf of CPATA and/or the Board, and is, along with the CEO, a resource for Board directors.

The Board and committees strive to maintain high standards for conduct of effective meetings (see *Appendix E for Policy on Meeting Agendas and Minutes*).

## 2.3 Manner of Governance

The Board governs in a manner that emphasizes:

- a focus on the public interest;
- a proactive, future-focused and outward vision;

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<sup>5</sup> See *CPATA Act*, s. 13(4) – 19 for details re eligibility, vacancies and removal.

- encouragement of diversity of viewpoints;
- strategic leadership;
- the clear distinction of Board, committee and staff roles; and
- collective decision-making through consensus or voting, as appropriate.

This is achieved by:

- directing its energies toward CPATA's statutory purpose, Regulatory Objectives, Standards and Principles;
- guiding and inspiring CPATA's thinking and behaviour through the provision of and adherence to clearly articulated policies;
- fostering a sense of group responsibility toward excellence and self-discipline in matters including attendance, decision-making principles and respect for identified roles;
- communicating the work of the Board and of CPATA to licensees and to outside stakeholders; and
- regularly assessing its process and performance.

## 2.4 Board Nominations and Elections

The requirements regarding nominations and elections are set out in the *CPATA Act*<sup>6</sup> and the By-laws<sup>7</sup>. There are four positions for elected directors on the Board – two are to be filled by licensees who are trademark agents and two to be filled by licensees who are patent agents. The terms for elected directors are set out in the *CPATA Act*<sup>8</sup>. Elected Directors may hold any class or status of licence, as long as they are not suspended. Eligibility requirements are set out in s. 14 of the *CPATA Act*.

Service on CPATA's Board is an undertaking that requires commitment to public interest regulation of the patent agent and trademark agent professions. The Board's role is focused on public protection, the oversight of strategy and supporting the CEO to enable effective regulation. Although elected directors bring the perspective of practitioners and the expertise of intellectual property experts, they do not represent the interests of the professions in their role on the Board.

Details of the nominations and elections procedures are set out in *Appendix C*.

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<sup>6</sup>See CPATA Act sections 13–19

<sup>7</sup> See By-laws 9–21

<sup>8</sup> See CPATA Act sections 8 and 15 for more information on terms



## 2.5 Election Commissioner

The By-laws provide for appointment of an Elections Commissioner responsible for independently resolving any election disputes that may arise. The By-laws also detail the nominations processes that are operationalized by staff.<sup>9</sup>

## 2.6 Directors' Code of Conduct

The Directors' Code of Conduct is attached in *Appendix D*. This Code is intended to govern the conduct of directors and members of committees, as well as employees, consultants and licensees to the extent applicable. It is the individual and collective responsibility of each director, whether elected or appointed, to strive to adhere to the principles in the Code of Conduct.

Each director when appointed/elected or reappointed/re-elected is required to sign an undertaking regarding the Code of Conduct (see *Appendix D1*), which will apply for their term in office. In addition, each director is required to declare that they are not ineligible to act as a director (see *Consent to Act as Director in Appendix D2*.)

Each director is required to declare and disclose all information required for the Conflicts Registry (see *Appendix I*). This Registry asks Board and committee members to "... put their minds to the kinds of affiliations that might be relevant to their regulatory role" with CPATA. The Register allows those within and outside CPATA to identify potential conflicts of interest that individual directors may not recognize and helps provide a level of public transparency and accountability.<sup>10</sup>

Directors are to act in the best interests of the public rather than in their own or any particular constituency's interests. When performing their director duties, directors put aside personal self-interest and transact the affairs of the College in such a manner that promotes public confidence and trust in the integrity, objectivity and impartiality of the Board, CPATA's regulatory committees and all regulatory decision-making. Beyond the approved remuneration for directors, no director directly or indirectly receives any profit from their position, other than reasonable expenses incurred in the performance of their duties. The pecuniary interests of immediate family members or close personal or business associates of a director are also considered to be the pecuniary interests of the director. For more information, refer to the Code of Conduct at *Appendix D*.

Each director is expected to become an active participant in the Board, a body that functions as a whole. In addition to assisting in the exercise of the major duties of the Board summarized above, including any CPATA committees on which they serve, directors are responsible for exercising due diligence in the performance of their duties.

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<sup>9</sup> See By-law 18(1)- (4)

<sup>10</sup> Richler, Erica, "Conflict of Interest Registers", Grey Areas newsletter issue no. 279, June 2023.

## 2.7 Committees

As noted above, CPATA has five committees to help it meet its mandate. There are three “regulatory” committees and two “governance” committees.

The “regulatory” committees are the Investigations Committee, Discipline Committee and Registration Committee. The Investigations Committee and the Discipline Committee are created pursuant to the *CPATA Act*. These committees are comprised of a majority of non-licensee members. The Registration Committee administers licensing requirements and is created pursuant to the CPATA Regulations.

These regulatory committees operate with a high level of independence in terms of decision-making. Each has a Skills Matrix identifying the collective knowledge, skills, experience and attributes necessary for the work of the committee.

The By-laws authorize the creation of Board committees, which are currently the Audit and Risk Committee and the Governance Committee. These governance committees make recommendations to the Board.

The CEO and Board are authorized to strike ad hoc committees or work groups to assist the CEO’s work, which may be comprised of subject matter experts or specialists from within and outside the professions.

Each committee has a staff member assigned to provide administrative and/or professional support.

The Board is authorized to set terms for committee members under the By-laws and through the applicable Terms of Reference. The committee recruitment and appointments process is the responsibility of the Governance Committee, which makes recommendations to the Board.

Remuneration for committee meetings and preparatory work is set out in the By-laws<sup>11</sup> and by policies set by the Audit and Risk Committee from time to time.

Committee Chairs are responsible for setting and managing agendas for each meeting, confirming the supporting materials to be circulated and ensuring that minutes are taken and decisions accurately documented. Chairs are directed to see that committee work remains within the scope of the applicable Terms of Reference.

Committees are expected to produce regular activity reports for the Board and to prepare annual workplans (to the extent possible), in consultation with the CEO and others as appropriate, that support the Strategic and Policy Directions of the Board. The Committee Chair or designate may be asked to

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<sup>11</sup> See By-laws Schedule 2

attend Board meetings to provide information or respond to questions. Some committee decisions are subject to privacy and confidentiality provisions in the *CPATA Act*. When regulatory committees provide reports to the Board, they will be de-identified as appropriate.

Decisions by committees are made by consensus, or by majority vote when required.

## 2.8 Complaints against Board or Committee Members

CPATA holds Board directors, committee members, the CEO, staff and consultants to consistent high standards of conduct.

Each Board director and committee member is responsible for holding themselves accountable for complying with the Code and these policies. Board directors and committee members additionally have a responsibility to hold each other accountable for complying with the Code. Board directors or committee members may consult with the Chair of the Board for advice concerning another Board director's or committee member's compliance with the Code of Conduct.

A clear and open process for responding to concerns about Board directors' or committee members' compliance with the Code or these policies is set out in *Appendix E*.

## Part 3: The Board's Relationship with the CEO and Staff

### 3.1 Role of the CEO and Registrar

In accordance with the *CPATA Act*<sup>12</sup> and By-laws<sup>13</sup>, the CEO and Registrar are responsible for management, operations and initial regulatory decision-making. At CPATA, one individual fills both roles.

The CEO provides leadership for CPATA's programs and operations and sees that they contribute to meeting the objectives set out in the Board's Strategic Plan. The CEO performs the functions and duties normally associated with the office of chief executive officer, including:

- putting into effect all policies and procedures established by the Board or a committee;
- counselling and assisting the Board and any committee in the development, adoption, implementation and advancement of CPATA's various activities and its Regulatory Objectives, Standards and Policies;

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<sup>12</sup> See *CPATA Act* s. 23

<sup>13</sup> See By-laws 36, 38

- engaging employees and directing personnel in the ongoing administration of approved policies and programs;
- executing documents on behalf of CPATA; and
- performing such other functions and duties as may be assigned by the Board.

The Registrar performs the duties and responsibilities conferred by the *CPATA Act*, Regulations, By-laws and Policies approved by the Board or the CEO. To support the Regulatory Objectives, Standards and Principles, the Registrar establishes regulatory policies, procedures and forms for all relevant programs, which are called Registrar's Policies. The *CPATA Act* authorizes the Registrar to delegate some decision-making.

The Registrar makes regulatory decisions about individual licensees or applicants, including admissions, ongoing compliance, annual renewals and inquiries/complaints and expressions of concern, driven by public interest factors. The Registrar also makes decisions about setting procedures for regulatory transactions, including required processes, supporting forms and documents and required timelines or deadlines. Processes for these decisions are circumscribed by Board-level policy decisions, including the Regulatory Objectives, Standards and Principles and the By-laws.

In the normal course of operating as a regulator, licensees and applicants may find themselves negatively impacted because of a provision of the *CPATA Act*, Regulations, By-laws or policies. Examples include failure to pay annual fees or other amounts owing to CPATA, failure to make some form of application in time or in the required form and failure of a qualifying examination. These breaches may be technical (such as timeliness) or substantive (such as failing to pass an exam). In evaluating how to respond to this type of breach, the Registrar is guided by CPATA's commitment to using the public interest and risk as a basis for decision-making as well as CPATA's commitment to 'right touch regulation', which includes being proactive, principled and proportionate.

The CEO also develops and maintains positive external relationships to advance CPATA's activities nationally and internationally. This includes:

- building a broad base of understanding for the work of the organization among the professions, government, key stakeholders, the media and the public;
- building and nurturing collaborative relationships and strategic alliances with stakeholders, partners and others; and
- taking part in events as appropriate to promote the reputation of CPATA and improve awareness of its mandate, mission and programs.

### **3.2 Executive Expectations of the CEO**

The Executive Expectations of the CEO help the Board exercise appropriate oversight, promote accountability and foster flexibility, innovation and creativity by the CEO and staff to benefit CPATA's

purpose. They help protect CPATA from risk while encouraging the CEO to improve processes and identify new responses to the needs of CPATA in a strategic manner.

Generally speaking, the CEO is responsible for seeing that no practice, activity, decision or organizational circumstance is imprudent or violates the *CPATA Act*, Regulations, other applicable legislation, policies, professional ethics or commonly accepted business and management practices.

The CEO is responsible for adhering to the Executive Expectations of the CEO summarized in *Appendix G*.

### **3.3 Complaints Against the CEO**

CPATA sets high standards for the conduct of the Board, committees, the CEO, staff and consultants. However, there may be occasions when someone may object to how the CEO conducts themselves. Having a transparent, principled, proportionate and fair process for receiving and resolving such concerns is essential for maintaining trust and respect for the organization.

The process for addressing complaints regarding the conduct of the CEO is set out in *Appendix H*.

## **Part 4: Board Orientation and Evaluation**

### **4.1 Board Orientation and Professional Development**

Following each Board election, all new directors are required to attend or participate in an orientation program which will include information about:

- CPATA's governance and organization structure;
- the roles and responsibilities of the Board;
- the roles and responsibilities of the CEO and staff;
- CPATA's budget;
- CPATA's committees;
- CPATA's Strategic Framework;
- CPATA's commitment to equity, diversity and inclusion; and
- plans for Board and committee professional development.

Directors and committee members are required to participate in various professional development programs that are designed to orient, educate and equip them for their governance and regulatory responsibilities. In the event a member is unable to participate in a program, the CEO will take steps to record programs and make them available. New Board directors and committee members may be

expected to review some of these prior education programs as part of their orientation and professional development.

#### **4.2 Board Performance and Evaluation**

The directors collectively, operating as the Board, recognize their shared responsibility to monitor CPATA's performance and to measure and account for its results. In addition to the annual performance evaluation of the CEO, CPATA's performance will be assessed by the Board, through a systematic process of evaluations that may include some or all of the following, as appropriate:

- (1) evaluation of the Board's effectiveness to identify strengths and weaknesses in governance structures and processes and to suggest priorities for further attention;
- (2) directors' self-assessments to help individual directors and the Chair of the Board assess the 'added value' that each director brings to CPATA, whether each director has met the expectations set by the Board, whether each director continues to be committed to serving on the Board and whether each director has complied with the requirements of the Code of Conduct;
- (3) one-on-one meetings between each director and the Chair of the Board to assess individual director's perspectives on Board and corporate performance; and
- (4) development of a system that demonstrates the impact of outcomes of CPATA's regulatory mandate, including effectiveness of all regulatory processes, decision-making and the communication and implementation of regulatory decisions.

The Board is encouraged to seek to address matters of compliance with all governance policy requirements among themselves where appropriate, as respectful and timely dialogue is encouraged as a way to deal with these matters. Board directors may also seek the assistance of the Chair of the Board, Chair of the Governance Committee or the CEO or an appropriate neutral colleague to discuss and deal with an issue.

## **Part 5: Strategic Planning**

### **5.1 Strategic Plan Development and Implementation**

The Strategic Plan assists the Board in determining the initiatives and projects to be undertaken during a proscribed period and in identifying the policy agenda for committee work. Through a strategic planning process, the Board approves its priorities and receives periodic reports on how CPATA is progressing on these priorities. The plan is monitored and revised as necessary through a process that involves fact-based consideration of such things as:

- CPATA's Regulatory Objectives and success toward measurable goals and outcomes for the previous planning period;
- regulatory and program activity reports;
- an environmental scan, including operational and regulatory risks;
- examination of licensee demographics and practice issues;
- analysis of budgets, financial results and trends; and
- identification of ways to continue improving and innovating as a modern, best practices regulator.

## **5.2 Annual Workplans**

It is the responsibility of the CEO to work with staff to develop and monitor an Annual Workplan that identifies the recurrent work and non-recurring projects and initiatives that will support CPATA's ability to achieve the goals set out in the Strategic Plan. This Workplan will identify the key steps, milestones, timeframes, assigned resources and expected outcomes for each specific goal. The Workplan will be formatted in a way to facilitate regular reporting to the Board on progress made or any delays.

## APPENDIX A

# The Public Interest and CPATA's Decision-Making

### 1. Purpose

CPATA is the independent, public-interest regulator of patent agents and trademark agents in Canada. The purpose of the College is to regulate patent agents and trademark agents 'in the public interest', in order to 'enhance the public's ability to secure the rights provided for under the Patent Act and Trademarks Act.'<sup>1</sup>

CPATA serves different 'publics':

*For the general public*, regulating in the public interest includes regulating in a manner that builds trust among the general public, so they may be confident we are working to strengthen the competencies of patent agents and trademark agents, and helping build and support accessible, ethical and high-quality intellectual property services in Canada.

*For innovators and other clients of patent agents and trademark agents*, regulating in the public interest includes considering the needs of those seeking access to the professional services provided by patent agents and trademark agents.

*For patent agent and trademark agent licensees*, CPATA regulates licensees. We set the standards for entry into the professions and the competencies expected of agents and we oversee and support the ethical and competent delivery of their professional services.

Decisions made at all levels of CPATA involve a balancing of interests and evaluation of risk to all of the 'publics' it serves.

This Policy is intended to describe how CPATA strives to maintain its focus on all of the 'publics' it serves as it fulfills its responsibilities under the Act and CPATA's [Regulatory Objectives](#).

Through the statement of purpose in the Act and the Regulatory Objectives, CPATA has determined protection and promotion of the public interest should drive all decisions made and activities undertaken by its Board, committees, the CEO and Registrar and staff.

This policy is aspirational and serves to assist and guide the Board, Committees, the CEO and Registrar and staff to make public interest the primary consideration in decision-making and to demonstrate how that occurs through transparency, consistency, relevant considerations and a principled approach to all regulatory and other decision-making.

### 2. Public Interest as a Key Foundational Principle

Protection of the publics' interest by CPATA comes in many forms. It includes:

- Setting standards for agents to support their competence and ethics in delivering their

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<sup>1</sup> S. 6 of the CPATA Act



services – this protects the public who use those services;

- Supporting the professions so that when providing services, they uphold the system that protects intellectual property rights;
- Promoting equity, diversity and inclusion in the professions; and
- Recognizing programs and activities that help make IP services accessible to Canada’s innovators and creators.

CPATA strives to operate in a manner that promotes the reputation of the professions and College as worthy of trust and respect, and to be able to confirm licensees are competent and ethical.

### 3. Foundational Public Interest Factors to Consider

Relevant factors are considered when making decisions that may affect the public whose interests are to be protected. To advance its approach to promoting and protecting the public interest, CPATA has enshrined several approaches to how it analyses and applies its public interest lens:

- 3.1 Being proactive, principled and proportionate
- 3.2 A commitment to risk-focused and evidence-based decision-making
- 3.3 Consideration of legal requirements under the *CPATA Act*, Regulations and policies, and applicable legislation such as the *Official Languages Act*, *Privacy Act* etc.
- 3.4 Consistently applying and being guided by the Regulatory Objectives, Standards and Principles
- 3.5 Being fair, accountable, transparent, efficient, and effective.

CPATA seeks to make decisions grounded on these foundational public interest factors, as well as the Decision-making Principles set out in Appendix B, which support the framework for effective governance.

### 4. Consideration of Public Interest Factors for Regulatory Decisions

Fact-based and risk-focused decision-making are key components of the Regulatory Standards. Considerations by the CEO and Regulatory Committees of the public interest include assessment of these factors as they relate to the nature of the decision to be made. Consideration of how the factors connect to the intended outcome is an important step.

**4.1 Risk to the public** – Based on CPATA’s knowledge of the risks associated with the issue under consideration. Risks can be actual, anticipated, or foreseeable.

Factors relevant to this assessment may be:

- 4.1.1 In the case of complaints, the nature of the alleged misconduct or lack of competence<sup>2</sup> and whether the personal or practice circumstances of the licensee are indicative of risk<sup>3</sup>
- 4.1.2 In the case of licensing and registration matters, the position or response of the licensee to the matter at hand<sup>4</sup>
- 4.1.3 When considering past conduct, relevant to assessments, in the case of registration applications or complaints, may be whether pre-registration conduct may impact suitability

- to practise for the purposes of meeting good character requirements<sup>5</sup>
- 4.1.4 When considering the relevance of prior experience for the purposes of fulfilling the 24-month training requirement, consider all relevant factors<sup>6</sup>.

- 4.2 **The licensee's circumstances** –when considering risk, factors relating to licensing or complaints are considered<sup>7</sup>.

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<sup>2</sup> These will include whether the conduct is repetitive and ongoing or only one instance; whether the conduct is recent or occurred in the past; if proven, the range of likely disciplinary outcome; whether the conduct arose in the course of the licensee's practice; whether intervention by the College is necessary to prevent misconduct pending a hearing.

<sup>3</sup> In medicine, see for an example of factors impacting behaviour – Bratland, S.Z., Baste, V., Steen, K. *et al.* Physician factors associated with increased risk for complaints in primary care emergency services: a case – control study. *BMC Fam Pract* 21, 201 (2020). <https://doi.org/10.1186/s12875-020-01272-0>

<sup>4</sup> These will include the level of candour and disclosure of relevant information and the training circumstances of the applicant or licensee.

<sup>5</sup> The jurisprudence requires consideration of a range of relevant factors that for CPATA might include age at the time of and circumstances involved in a prior criminal or similar offence; frequency and seriousness of any reported occurrences; evidence of rehabilitation (including changes implemented to prevent future occurrences); evidence of positive social contributions since the offence; the degree of supervision by, and guidance of registered patent or trademark agents; and, for foreign applicants, the relevance of the non-Canadian experience to the competencies required to prepare, present and prosecute applications before the Canadian Intellectual Property Office.

<sup>6</sup> This will include the length, recency, nature, scope, complexity, level of responsibility and diversity of the applicant's experience and the effect of employment interruptions or changing assignments on the applicant's retention of, and ability to build upon, the experience gained;

<sup>7</sup> These include: any relevant complaints or discipline history, by CPATA or other regulatory bodies; any mitigating factors relevant to an application or complaint, such as the licensee's circumstances or practice environment; any aggravating factors, such as whether the licensee is a repeat offender or has demonstrated a pattern of ungovernability so that compliance with professional standards or any conditions pending a hearing will be unlikely; the impact of an order to place conditions on, suspend or restrict a license on the license, and/or the licensee's clients; the significance of any alleged misconduct or other risk factors; the level of notoriety of the matter; or in other words, how a reasonable member of the public might regard the matter; whether the risks or concerns relate directly to a licensee's practice (as compared with a personal matter that does not or has not impacted their practice); any evidence demonstrating an impact on public confidence; and whether public confidence in the ability of the College to regulate the profession is likely to be harmed if the College suspends or restricts a licensee and it later appears that the restrictions or suspension was not warranted

- 4.3 **Ability to effectively regulate** – Is CPATA’s ability to effectively regulate the IP profession in the public interest reasonably likely to be harmed if the licensee is permitted to continue to practice with or without conditions?
- 4.4 **Alternatives** – can the public interest, including in the effective regulation by CPATA, be protected through alternate means other than, for example, restrictions and conditions?
- 4.5 **Proportionality** – is the proposed decision proportional to the identified risk of harm? For example, is a Registrar’s decision not to permit renewal of a license reasonable under all relevant circumstances, taking into account the foreseeable risks to the public if the renewal was permitted?
- 4.6 **Consistency** – is the proposed decision consistent with previous decisions of a similar nature?

Each decision is recognized to be unique, and CPATA and its committees consider the information, evidence, positions and arguments presented, and balance and give appropriate weight to relevant factors in making a regulatory decision. The factors above should be considered solely for guidance purposes when assessing the public interest in any such decisions.

## 5. The Public Interest and Policy Development

The public interest is determinative for Board policy decision-making. As part of Board decision-making, it identifies the ‘public interest’ or the multiple interests at stake (what are the public’s interests in this matter?) and the facts that influence how those interests are assessed. The Board does not simply assert there is a public interest without a factual/evidentiary foundation. Public interest is best served by demonstrating a connection between the action to be undertaken and an anticipated outcome.

The Regulatory Objectives are a definitive statement of purpose. This document alone sets a clear tone for the many ways the public interest will always be the primary factor to consider when making decisions at all levels. But it goes beyond this to articulate the expected and measurable impact of, for example, a commitment to transparency relating to the Board’s activities and decisions.

Board decision-making is also premised on Directors properly filling their roles as public officers. In addition to compliance with CPATA’s Conflicts of Interest policy, Directors are reminded of their roles in addressing the public interest. They bring selflessness, integrity, objectivity, accountability,

openness, honesty and leadership to their role as a CPATA director. Collectively these attributes contribute to the Board's proclivity to public interest-based decision-making.

Through ongoing self and group evaluation, Directors demonstrate their commitment to the public interest in their decision making. Through the development and application of Skills Matrices for the Board and committees, the Board demonstrates its commitment to ensuring equity, diversity and inclusion, as well as having effective public voices involved at all levels. The Skills Matrices are an effective way of identifying appropriate and necessary factors to consider when making committee appointments and measuring the Board's success in doing so.

## 6. Communicating Public Interest Decision-making

To be meaningful and transparent, decisions made in the public interest must be effectively communicated, while respecting requirements for privacy and confidentiality.

For example:

- CPATA publishes its regulatory policies so those engaging with the College will know the basis upon which matters will be considered and decisions made.
- CPATA publishes full or de-identified regulatory decisions on its website promptly, as well as summaries of advice and guidance provided to licensees about their ethical and competence obligations. These help to educate the public and licensees and assist them to evaluate how CPATA is working in the public interest.

## 7. Conclusion

Public interest is not an amorphous concept. It is an aspirational, living, breathing concept that gives life to why and how CPATA exists and functions. It flows through the Act, Regulations, By-laws, Code of Conduct, Regulatory Objectives, Standards, Principles and policies. Which public interest factors are relevant to each situation and decision requires careful thought, analysis, balancing competing interests and a commitment to apply the public interest lens consistently, transparently and in a clear and measurable way.

## APPENDIX B

### Decision-Making Principles

Principled decisions by the Board, Regulatory Committees, the CEO/Registrar and staff should strive to:

- focus on the public interest;
- be premised on matters being considered on their own merits, on an objective analysis of the facts, and under published policies, guidance and criteria;
- be made in a timely manner and under processes proportionate to the risk involved and targeted only at cases in which action is needed;
- be informed by appropriate specialized knowledge and expertise to facilitate a complete analysis of the matters at issue;
- be consistent;
- account for the Regulatory Objectives, CPATA's obligations under applicable legislation, our standards and the case law;
- be fair and seen to be fair by incorporating common law principles of fairness and natural justice;
- promote high quality IP practices;
- be transparent and explain the process; and
- communicate the results of decision to the person or persons affected by the decision.

## APPENDIX C

### Nominations and Elections Procedures

1. The CEO must circulate to all licensees and post on CPATA's website a notice regarding the election, providing dates and processes for all aspects of the nomination and election process. The notice will include the number of trademark agent and patent agent director positions to be filled during the elections.
2. To be nominated to be an elected director, a licensee must submit a Nomination Form to the CEO by the prescribed deadline. The CEO will then confirm eligibility. Nominees may provide some personal information, such as a professional biography, photo and a description of their reason for seeking election for publication on CPATA's website.
3. Licensees who are dual-licensed, i.e. licensed as both patent agents and trademark agents, may seek election in either or both categories and will be asked to indicate this on their Nomination Form. Such candidates are asked to advise the CEO in which category they wish to serve should they be elected in both categories. This information will be kept confidential during the election process.
4. Nominations may be withdrawn from the election by written notice to the CEO in accordance with the By-laws<sup>2</sup>. On receipt of a notice of withdrawal, the CEO will advise the other nominees and the profession. If possible, the name of the withdrawing candidate will be removed from the ballot.
5. As soon as practicable after the close of the nomination period, the CEO will publish the names of the licensees who have been nominated ('candidates'). If, at the end of the nomination period, the number of eligible nominees equals the number of elected trademark agent or patent agent director positions to be filled, the nominees will be acclaimed to the roles and the profession will be notified. If there are not enough nominations to fill the director positions to be filled, there will be a vacancy on the Board to be filled in accordance with the By-laws<sup>3</sup>.
6. Elections will be held electronically. Each licensee eligible to vote will receive a ballot, or an electronic message connected to a ballot, that lists only the candidates for whom the licensee may vote. Dual licensees may vote in both categories. All licensees who are not suspended, regardless of licence class, may vote.
7. The CEO will communicate the results of the election directly to each nominee and confirm the length of their terms. CPATA will advise the profession of the results of the election by publishing the elected directors' names on CPATA's website. The results will indicate the number of eligible voters for

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<sup>2</sup> See By-laws 16 and 18

<sup>3</sup> See By-law 11

each Director position, the name of the candidate, the number of votes for each candidate and the names of the candidates elected. In the event of a tie vote between nominees, in the presence of the nominees, the CEO will draw a name from a repository that contains the nominees' names. The name drawn will be declared elected.

## APPENDIX D

# CPATA Directors' Code of Conduct

### Introduction

This Code of Conduct has been approved by CPATA's Board of Directors and is intended to govern the conduct of the directors and committee members. The principles in this Code of Conduct are the individual and collective responsibility of all directors and committee members, and are both practical and aspirational.

When appointed/elected or reappointed/re-elected, each director is required to sign an undertaking regarding the Code of Conduct (Appendix D1), which undertaking will apply for their term of office.

In addition, each director is required to declare that they are not ineligible to act as a director (Appendix D2).

### A. Code of Conduct Guidelines

#### 1. Responsibilities of Individual Directors

Each director is expected to become an active participant in the Board, a body that functions as a whole. In addition to assisting in the exercise of the major duties of the Board, including any CPATA committees on which they serve, directors are responsible for exercising due diligence in the performance of their duties.

They are expected to:

- be informed about the *CPATA Act*, Regulations and By-laws, the College's Regulatory Objectives, Standards and Principles, this Code of Conduct and any Board Policies as they pertain to the duties of a director;
- keep generally informed about CPATA's activities, the public interest CPATA serves and general trends in the sector in which it operates;
- attend Board meetings regularly, serve on Board committees and contribute from personal, professional and life experience to the work of the Board;
- exercise the degree of care, diligence and skill expected of a director;
- exercise the degree of care, diligence and skill that a person of ordinary prudence would exercise in dealing with the property of another person;
- be independent and impartial;
- not be influenced by self-interest, outside pressure, political considerations or fear of criticism;



- not knowingly permit their personal interests to conflict with their duties and powers as a director;
- act with honesty and integrity and conduct themselves in a manner consistent with the nature and the responsibilities of a director and in such manner as will maintain public confidence in the conduct of the Board's business;
- offer their perspectives and opinions on issues that are the subject of Board discussion and decision;
- voice, clearly and explicitly at the time a decision is being taken, any opposition to a decision being considered by the Board;
- maintain solidarity with fellow directors in support of a decision that has been made in good faith in a legally constituted meeting, by directors in reasonably full possession of the facts;
- ask the directors to review a decision, if they have reasonable grounds to believe that the Board has acted without full information or in a manner inconsistent with the directors' fiduciary obligations;
- work with CPATA's staff on matters within the mandate of the Board or its committees;
- know and respect the distinction between the roles of directors and the roles of staff, and work with and treat staff in a manner that is consistent with that distinction and the principles underlying the Board's governance policies; and
- exercise vigilance in identifying and declare any real, potential or perceived conflict of interest in accordance with the Conflict of Interest Guidelines and By-laws.

## 2. Conduct of Directors

At all times directors will strive to conduct themselves in a manner that:

- supports the Regulatory Objectives of the College;
- serves the overall best interests of the public rather than any particular constituency;
- brings credibility and goodwill to the activities of the Board and of CPATA;
- respects principles of fair play and due process;
- demonstrates respect for individuals in all manifestations of their diversity and life circumstances;
- demonstrates professionalism and respect towards others and avoids any form of harassment;
- respects and gives fair consideration to diverse and opposing viewpoints;
- demonstrates due diligence and dedication in preparation for and attendance at meetings, special events and in all other activities on behalf of the Board;
- acts consistently with CPATA's Regulatory Standards and Principles and demonstrates good faith, prudent judgment, honesty, transparency and openness in their activities on behalf of CPATA;
- oversees the financial affairs of CPATA so that they are conducted in a responsible and transparent manner with due regard for a director's fiduciary responsibilities and public trusteeship;
- avoids real, potential or perceived conflicts of interest;

- conforms with the By-laws and Board Policies approved by the Board and in particular this Code of Conduct;
- conforms with any obligations or duties of directors under applicable legislation; and
- publicly demonstrates acceptance, respect and support for decisions legitimately taken in transacting the Board's business.

### 3. Performance Monitoring

The directors collectively, operating as the Board, recognize their joint responsibility to monitor CPATA's performance and to measure and account for its results. In addition to the annual performance evaluation of the CEO, CPATA's performance will be regularly assessed by the Board, through a series of steps that may include some or all of the following, depending on the circumstances:

- evaluation of the Board's effectiveness to identify strengths and weaknesses in governance structures and processes and to suggest priorities for further attention;
- directors' self-assessments to help individual directors and the Chair of the Board assess the "added value" that each director brings to CPATA, whether each director has met the expectations set by the Board, whether each director continues to be committed to serving on the Board and whether each director has complied with the requirements of this Code of Conduct;
- One-on-one meetings between each director and the Chair of the Board to assess individual director's perspectives on Board and corporate performance; and
- development of a system that demonstrates the impact or outcomes of CPATA's regulatory mandate, including the effectiveness of all regulatory processes, decision-making and the communication and implementation of regulatory decisions.

### 4. Contracts with Former Directors

Nothing in this Code of Conduct prohibits CPATA from awarding a contract to a former member of the Board, provided that the procedure followed for awarding such contract is in accordance with CPATA's approved practices.

### 5. Gifts and Hospitality

Directors must not directly or indirectly offer or accept cash payments, gifts, gratuities, privileges or other personal rewards that are intended to influence CPATA's activities or affairs. In their capacity as Board Directors, directors may give or receive modest gifts or hospitality as a matter of general and accepted business practice, provided they do not include cash or other negotiable instruments and provided proper accounting is performed for any such expenses.

## B. Fiduciary Obligation Guidelines

Directors owe a fiduciary obligation to CPATA.

A fiduciary obligation speaks to a director's responsibility to act loyally, honestly, in good faith and in the best interests of the public on behalf of CPATA. They must avoid conflicts of interest, abstain from using the position of director for their own benefit and keep CPATA's information confidential.

## C. Confidentiality Guidelines

Professional regulators often hold a large amount of confidential information about the individuals and organizations that they regulate. Some examples of confidential information held by CPATA include:

- personal information: this may include names, addresses, SINs and other sensitive information about individuals who are registered with CPATA;
- financial information: this may include information about the financial status of an individual or organization, such as bank account numbers or income and tax information;
- investigation files: this may include confidential information related to the investigation of a complaint, including witness statements and internal reports; and
- licensing and credentials information: this may include information provided on applications as well as criminal record checks.

It is important for CPATA to maintain confidentiality of the above and other information and to only release it under limited circumstances, such as those instances when release is provided for under the *CPATA Act*. The following Guidelines apply to all Board directors, committee members, the CEO and staff:

1. All Board directors, committee members, the CEO staff and any external non-lawyer/non-agent consultants or service providers are required to sign a Confidentiality Agreement (see Appendix D1).
2. As a public interest regulator, CPATA operates in the public domain, conducts its Board meetings in public (except for in-camera sessions which may be held in certain limited circumstances – see Appendix F), discloses regulatory decisions and functions in an open and transparent manner. The obligations relating to confidential information relate to materials, information and matters that have not been disclosed in the fulfillment of CPATA's public interest mandate.
3. All communications between directors, committee members, or directors/committee members and the CEO and staff are confidential unless disclosure is authorized by the Chair of the Board or Board Policies or is required by law.
4. Directors, committee members, the CEO, staff and external providers must adopt reasonable precautions in dealing with confidential information so as to prevent its unauthorized use or disclosure.
5. Except as directors or committee members may be compelled by applicable legal process, each must, while serving as and after ceasing to be a director or committee member, treat all

information regarding the policies, internal operations, systems, business or affairs of CPATA that they obtain by reason of their status as a director or committee member and that would not otherwise be available to them, as confidential information.

6. Duplication and disclosure of confidential information (written or oral) other than for the purposes of carrying out director or committee duties, or as between directors or committee members, requires advance written consent of the Chair of the Board or Chair of the respective Committee, as the case may be.
7. It is the responsibility of each director and committee member to know what information is confidential and to obtain clarification when in doubt.
8. A director or committee member must not use information obtained because of involvement on the Board or a committee for their personal benefit. Each director and committee member must avoid activities that may create a perception they have benefited from acquiring confidential information during the course of being a director or committee member.
9. Directors and committee members must inform themselves of CPATA's general obligations respecting personal information and take appropriate steps so their own actions are consistent with CPATA's obligations to protect and handle such information in a secure manner and in accordance with applicable laws.

#### **D. Conflict of Interest Guidelines**

Directors and committee members are expected to comply with these Conflict of Interest guidelines in fulfilling their duties with CPATA.

At all times directors are to act in the best interests of the public rather than in their own or any particular constituency's interests. When performing their director duties, directors put aside personal self-interest and transact the affairs of the College in such a manner that promotes the public confidence and trust in the integrity, objectivity and impartiality of the Board, CPATA's regulatory committees and all regulatory decision-making. Beyond the approved remuneration for directors, no director directly or indirectly receives any profit from their position, other than reasonable expenses incurred in the performance of their duties. The pecuniary interests of immediate family members or close personal or business associates of a director are also considered to be the pecuniary interests of the director.

##### **1. Definition of Conflict of Interest**

A conflict of interest refers to a situation in which personal, occupational or financial considerations affect or appear to affect the objectivity or fairness of the actions, decisions or deliberations of the Board, individual directors, a committee or individual committee members.

Directors and committee members are in a "conflict of interest" whenever they, or members of their family, business partners or close personal associates, may personally benefit directly or indirectly,

financially or otherwise, from the director's position on the Board or a committee member's position on a committee.

A conflict of interest may be "real", "potential" or "perceived"; in each case, there exists the same duty to identify and disclose the conflict. Full disclosure does not eliminate a conflict of interest.

Pursuant to ss. 14 and 17 of the *CPATA Act*, a conflict of interest exists if a director is a member of an association whose primary purpose is to represent the interests of persons who provide advice on patents or trademarks.

## 2. Principles for Dealing with Conflict of Interest

- 2.1 Directors and committee members must openly disclose a potential, real or perceived conflict of interest as soon as the issue giving rise to the conflict arises and before the Board or a committee deals with the matter.
- 2.2 If a director or committee member is not certain whether there is a conflict of interest, the matter may be brought to the Chair of the Board, Chair of the Governance Committee or committee Chair for advice and guidance.
- 2.3 If there is a question about the existence of a conflict, the Board or committee, absent the director or committee member whose interest is involved, determines by majority vote if a conflict exists.
- 2.4 Directors or committee members who are aware of a real, potential or perceived conflict of interest on the part of a fellow director or committee member should raise the issue for clarification, first with the director or member in question and, if unresolved, with the Chair of the Board, Chair of the Governance Committee or committee Chair, as the case may be.
- 2.5 A director or committee member in a real, potential or perceived conflict of interest must abstain from participation in any discussion on the matter, not attempt to personally influence the outcome, refrain from voting on the matter and leave the meeting room for the duration of any such discussion or vote.
- 2.6 The disclosure and decision as to whether a conflict exists is to be recorded in the minutes of the meeting. The time the director or committee member left and returned to the meeting is also recorded.
- 2.7 The failure of a director or committee member to comply with the procedures outlined in these Conflict of Interest guidelines does not, of itself, invalidate any decision or action of the Board or committee. In each case, consideration will be had of the nature, circumstances and context of the decision.

## 3. Examples of Conflict of Interest on the Part of a Director or Committee Member:

The following is a non-exhaustive list to assist a director or committee member in determining whether a conflict of interest exists.

- 3.1 Any circumstance that may result in a personal or financial benefit to a director or committee member, or to a member of their family, a business associate or a close personal associate. This includes, but is not limited to, accepting any payment for services rendered to CPATA, including contracted work or honoraria, and accessing financial or other resources for personal use, such as transportation, training costs, supplies, equipment, etc.;
- 3.2 Personal interests that conflict with the interests of CPATA;
- 3.3 Seeking, accepting or receiving any personal benefit from a supplier, vendor, or any individual or organization doing or seeking to do business with CPATA;
- 3.4 Being a member of the Board, a committee or staff of another organization that has or might have material interests that conflict with the interests of CPATA and dealing with matters on one Board that might materially affect the other Board;
- 3.5 Any involvement in the hiring, supervision, grievance, evaluation, promotion, remuneration or firing of a family member, business associate or close personal associate of the director or committee member; or
- 3.6 Serving as directors on the same board with members of their family or others with whom they have a direct business or close personal relationship will be subject to an immediate perception of apparent conflict of interest.

Board and committee members are required to sign an Undertaking re Confidentiality and the Code of Conduct (see Appendix D1).

#### **E. Complaints and Disputes Involving Directors and Committee Members**

It is the responsibility of each Board director and committee member to hold themselves and each other accountable for complying with this Code, and for carrying out their duties and responsibilities in a way that instills public and licensee confidence. In the event that specific concerns arise in relation to the conduct of a Board or committee member in fulfilling their roles with CPATA, the Board has adopted a policy and procedure for addressing such concerns in Appendix E Complaints against Board Directors or Committee Members.

## Appendix D1

### Undertaking regarding Confidentiality and the Code of Conduct

(To be executed at the time of appointment or re-appointment, election or re-election, or employment and resubmitted annually)

The execution of this Undertaking confirms that I, \_\_\_\_\_, as a director of the College of Patent Agents and Trademark Agents, agree to act in accordance with the Code of Conduct throughout my tenure as a director and as applicable, after I cease to be a director.

OR

The execution of this Undertaking confirms that I, \_\_\_\_\_, as a member of a committee of the College of Patent Agents and Trademark Agents, agree to act in accordance with the Code of Conduct throughout my tenure as a committee member and as applicable, after I cease to be a member of the committee.

OR

The execution of this Undertaking confirms that I, \_\_\_\_\_, as a non-agent/lawyer employee or consultant of the College of Patent Agents and Trademark Agents, agree to act in accordance with the Code of Conduct throughout my period of employment or retainer and as applicable, after I cease to be a non-agent/lawyer employee or consultant of CPATA.

I understand and acknowledge:

1. In my capacity with CPATA, I have fiduciary obligations to CPATA and the relationship between me and CPATA is that of mutual trust. I will always act loyally, in good faith, in the best interests of CPATA and in accordance with the Fiduciary Obligation Guidelines set out in the Directors' Code of Conduct.
2. In my capacity with CPATA, I will endeavour to avoid conflicts of interest and if a conflict of interest arises, I will address it in accordance with the Conflict of Interest Policy.
1. In my capacity with CPATA, I have and will continue to have access to confidential information, the disclosure of which may be detrimental to the best interests of CPATA, its licensees or the public. I will keep confidential all confidential information of which I become

aware because of my participation on the Board, a committee, or during the course of my employment or retainer.

2. In my capacity with CPATA, I am required to adhere to the *Privacy Act* and Privacy Policy.

I undertake and agree:

- i. I have read the attached Directors' Code of Conduct in its entirety. I understand my obligations and agree to be bound by them.
- ii. Any breach of this undertaking by me constitutes a breach of my standard of care and fiduciary obligations to CPATA.
- iii. If I breach this undertaking, I may, if a member of the Board or a committee, upon resolution of the Board, be removed as a director or committee member in addition to any other remedies the Board or CPATA may determine are appropriate.
- iv. If I am an employee, consultant or agent of CPATA, I may, at the discretion of the CEO and as applicable, be subject to disciplinary measures.
- iv. The obligations contained in this Undertaking continue after I cease to be a director, committee member, employee, or consultant.
- v. This Undertaking is governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable thereto.
- vi. Any provision of this undertaking that is invalid or unenforceable does not affect any other provision and is deemed to be severable.
- vii. Receipt of a facsimile or electronic version of an executed signature page of this Undertaking constitutes satisfactory evidence of execution of this Undertaking.

IN WITNESS WHEREOF I have set my hand this day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Director/committee member/employee/consultant

\_\_\_\_\_  
Name of Director/committee member/employee/consultant



## Appendix D2

### Consent to Act as a Director

TO: College of Patent Agents and Trademark Agents

AND TO: CPATA's Board of Directors

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1. I consent to serve as a director of CPATA and agree to my re-election or re-appointment from time to time until I revoke this consent, my term expires or I resign from the Board of Directors, in which case this consent will cease to have effect from the later of:
  - 1.1 CPATA's receipt of my revocation or resignation, or
  - 1.2 the effective date of such revocation or resignation as stated therein.
  
2. I consent to the participation by any director of CPATA in a meeting of the Board of Directors, or of a committee of the Board, by means of telephone, electronic or other communications facilities that permit all participants to communicate adequately with each other during the meeting, such consent to continue in effect unless revoked by an instrument in writing delivered to CPATA.
  
3. I certify that:
  - i. I am at least 18 years of age;
  - ii. I do not have the status of a bankrupt;
  - iii. I am not a member of an association whose primary purpose is to represent the interests of persons who provide advice on patents or trademarks;
  - iv. Within the last 12 months, I have not been a member of the governing body or a steering committee of an association referred to in (iii) above;
  - v. If I am appointed to the Board, I am not:
    - a. a licensee; or
    - b. an employee of a department as defined by s. 2 of the Financial Administration Act (Can.)
  - vi. If I was elected to the Board, I:
    - a. do not hold a professional licence that has been suspended; or
    - b. am not otherwise ineligible to be a director.

DATED as of the \_\_\_ day of \_\_\_\_\_, 20\_\_.

-----  
Signature of Director

## Appendix E

### Complaints against Board Directors or Committee Members

**CPATA strives to hold Board directors, committee members, consultants, the CEO and staff to consistent high standards of conduct.**

It is the responsibility of each Board director and committee member to hold themselves accountable for complying with the Code. As well, Board directors and committee members have a responsibility to hold each other accountable for complying with the Code. Board directors or committee members may consult with the Chair of the Board for advice concerning another Board director's or committee member's compliance with the Code of Conduct.

In this policy, "Chair" means either the Chair of the Board or, in the case of a concern relating to the Chair of the Board, then Chair of the Governance Committee.

#### 1. Overview

This policy prohibits any person from taking any action that adversely affects the employment (including working conditions) of an employee because the employee has made a disclosure of alleged wrongdoing. Other individuals, including those involved in an investigation of alleged wrongdoing (i.e., witnesses), are also protected against reprisal.

'Reprisal' includes, but is not limited to, ending or threatening to end employment, discipline, threat of discipline or penalty and coercion or intimidation. However, a complainant who does not act in good faith in reporting a suspected violation may be subject to disciplinary action up to and including termination of employment or their relationship with CPATA.

Any employee found to be in violation of this policy when dealing with a complainant may be subject to disciplinary action up to and including termination of employment. Similarly, any Board Member, contractor or Investigator found to be in violation of this policy when dealing with a complainant may have their relationship with CPATA terminated.

The complainant will be provided the opportunity to remain anonymous, except in those circumstances where the nature of the disclosure and/or the resulting investigation necessitate the disclosure of the identity of the complainant. In such cases, all reasonable steps will be taken to protect the complainant from harm as a result of having made a disclosure.

#### 2. Referral of Issue

- 2.1 A person who has information suggesting that a Board director or committee member may not have complied or is not complying with the Code may refer the information orally or in writing to the Chair of the Board.
- 2.2 In the event the concern relates to the Chair of the Board, then the matter may be referred to the Chair of the Governance Committee.

2.3 The Chair of the Board will notify the director or member who is the subject of the concern (the subject director or member) and provide them with the information, which may or may not include the name of the individual expressing the concern.

2.4 The subject director or member will be given the opportunity to provide an oral or written response, as the case may be, to the Chair of the Board.

### 3. Role of the Chair of the Board

3.1 At any point in time, the Chair may discuss with the parties whether an informal resolution of the concerns would be possible. If so, the Chair will take such steps as appropriate to achieve an informal resolution and will document the discussions and resolution achieved.

3.2 Should informal resolution not be possible nor appropriate, on receiving the response from the subject member under 2.4, or if no response is provided, the Chair will determine the appropriate action and may:

- 3.2.1 conclude a review of the issue and:
  - a. take no action;
  - b. caution the subject member about the issue;
  - c. require an undertaking from the subject member with respect to the conduct;
  - d. advise the subject member on any other steps that should be taken to remedy or resolve the issue; or
  - e. refer the issue to an independent third-party investigator for review and investigation with appropriate terms of engagement for the investigation, where the Chair reasonably believes that it is in the interests of fairness and the integrity of CPATA governance process to do so.

### 4. Chair's Report to the Board

4.1 Where the Chair concludes their review with any of the steps set out in 3.2(b) to (e), the Chair will report the matter to the Board and CEO. This report may form part of the public record of the Board or may be addressed in-camera where appropriate.

### 5. Investigator's Report

5.1 Where the Chair refers the issue to an investigator, the investigator will provide a written report to the Chair once the investigation is complete.

Based on the investigator's report, the Chair may:

- 5.1.1 conclude the review of the issue and provide a report to the Board as described above;
- or

5.1.2 determine that the issue should be referred to the Board for the purpose of determining compliance with the Code.

## 6. Referral to the Board

- 6.1 When making a referral to the Board under 5.1.2, the Chair will make the referral in writing and the issue will be considered and determined by at least a quorum of the Board in-camera.
- 6.2 After considering the issue, the Board will determine whether or not the Code has been complied with and will prepare written reasons for its decision.
- 6.3 A copy of the Board's decision and reasons will be provided to the subject member.
- 6.4 Where the Board determines that the Code has not been complied with by the subject member, the Board may:
- 6.4.1 reprimand the subject member;
  - 6.4.2 suspend for a period of time certain rights and privileges of the subject member; or
  - 6.4.3 in the case of a committee member, recommend to the Governance Committee removal of the committee member from their position on a committee.
- 6.5 The Board's decision is final and will be communicated to the complainant in writing.

## APPENDIX F

### Board and Committee Meeting Agendas and Organization

#### 1. The Board Agenda

- 1.1 The Board maintains control of its own agenda.
- 1.2 The agenda is prepared jointly by the Chair of the Board and the CEO. Agenda items must always relate to the Board's role.
- 1.3 A director who wishes to add an item to the Board's agenda or to be provided with additional information with respect to a Board matter (such as a legal opinion addressed to the Board) should speak with the Chair of the Board. If the director and the Chair of the Board are not in agreement, then the director may, on notice to the Chair of the Board, raise the request during the approval of the agenda at the opening of the meeting and the matter shall be determined by the Board.
- 1.4 Committee meeting agendas follow a similar process, with the exception that consultation on the agenda will take place between the Chair of the Committee and the staff member providing committee support.

#### 2. Minutes

- 2.1 Minutes are required for all Board, committee and Annual General Meetings. Minutes form part of CPATA's permanent records and are kept indefinitely.
- 2.2 Once approved, Board meeting minutes are signed by the Chair of the Board and are considered to be evidence of the proceedings taken unless the contrary is proved.
- 2.3 Minutes are kept of the Committee of the Whole meetings.
- 2.4 Minutes of committee meetings follow a similar format and are adjusted in accordance with the nature of the committee's role and level of confidentiality required. Regulatory Committee minutes are not available to the public given the confidential nature of the agenda items.

#### 3. Meetings of the Committee of the Whole

- 3.1 The Board may meet as a Committee of the Whole, which means the meeting is in-camera.

3.2 The purpose of a meeting of the Committee of the Whole (CoW) is generally to allow the Board to consider matters in a more informal way, which will later need to be decided by the Board in an open meeting.

#### 4. In-Camera Meetings

The Board holds an in-camera session at the conclusion of each Board meeting with the CEO to allow for an oral evaluation of the meeting, and without the CEO to allow the Board, among themselves, to raise any matter with the Chair of the Board or each other as they consider appropriate.

4.1 The Board may move in-camera or hold CoW meetings when it determines it is in the best interest of CPATA to do so. The Chair of the Board may order that the meeting move in-camera. Any director may request a matter be dealt with in-camera in which case a vote will be taken and, if a majority of the Board so decide, the matter shall be dealt with in-camera.

4.2 In determining when to consider a matter in-camera, the Board is guided by the following principle: that the benefits that come from an open discussion (transparency, accountability and enhanced public confidence in the Board) are outweighed by the harm of public disclosure of the matter at hand.

4.3 The CEO will remain during an in-camera session, unless the matter involves the CEO's contract of employment, the CEO's evaluation or other matters personal to the CEO.

4.4 Guests or counsel may remain during an in-camera session with the permission of the Chair of the Board or the consent of those at the meeting.

## APPENDIX G

# Executive Expectations of the Chief Executive Officer (CEO)

### Introduction

Executive expectations are a mechanism that allows the Board to exercise appropriate control, promote accountability and foster flexibility, innovation and creativity to benefit CPATA's purpose. They help protect the well-being of CPATA from risk while encouraging the CEO to improve processes and identify new responses to needs of CPATA in a strategic manner.

### 1. General Requirements

The CEO is the Chief Executive Officer of CPATA and, under the direction of Board, is responsible for the management and coordination of the operation, administration, finances, organization, supervision and maintenance of all of CPATA's activities. The CEO performs all the functions and duties normally associated with the Office of Chief Executive Officer.

The CEO sees that all policies necessary for the operation and management of CPATA are created, kept current, documented and followed. Such policies must follow applicable legislation, professional ethics and best business and management practices.

The CEO is responsible for taking steps to prevent any practice, activity, decision or organizational circumstance that is imprudent or violates the *CPATA Act*, Regulations, By-laws, other applicable legislation, policies, professional ethics or commonly accepted business and management practices.

The CEO is evaluated by the Board in a mandatory annual performance review.

### 2. Employees

The CEO is expected to create and support working conditions for CPATA employees that are fair, dignified, safe and in compliance with applicable legislation, employment contracts, professional ethics and best business and management practices. This includes ensuring there are current position descriptions in place for all employees; regular performance reviews are conducted; employment, compensation and benefits of employees, consultants and contract workers accord with approved budgets compensation and benefits included in the budget do not substantially deviate from the mean salary for similar positions in the National Capital Region market. The CEO also ensures that appropriate succession planning, back-up and cross-training is in place.

3. **Strategic Framework** – The CEO facilitates Board’s development and approval of a Strategic Framework that sets the strategic direction for the Board and CPATA.
4. **Annual Workplan** – The CEO supports the Board’s consideration and approval of the Annual Workplan for the successive Board year.
5. **Finances**

The CEO presents an annual budget to the Board for approval. The budget will:

- contain expenditures that do not exceed forecasted revenues;
- allocate resources that do not deviate substantially from broadly stated organizational goals and priorities;
- correspond with the priorities and objectives of the Annual Workplan and Strategic Framework;
- contain credible projections of revenues and expenses;
- separate capital and operational items; and
- disclose planning assumptions, risk factors and cash flow projections.

The CEO provides regular written reports to the Audit and Risk Committee on CPATA’s financial situation that specifically advise of any material changes in assumptions or expected deviations in projected revenue or expenditures (material means variances from budget that are greater than 5% or \$10,000.00). Current reports are provided to the Board at each meeting.

## 6. Risk – Financial Reporting and Accountability

The CEO’s responsibilities include that:

- expenditures are made in compliance with the budget (however, the CEO may reallocate between items in the budget within guidelines provided by the Audit and Risk Committee);
- appropriate signing authorities and banking resolutions are kept current;
- tax payments and other government-required remittances and other deductions are current and so certified to the Board as part of each written report;
- sufficient funds are always available to meet current obligations in a timely manner;
- receivables are addressed in a timely manner;
- cash and funds are handled in accordance with applicable standards;
- an Enterprise Risk Management Policy is developed, approved by the Board, on advice of the Audit and Risk Committee, and there are annual reviews and reports to the Board on the Policy; and
- instructions to CPATA’s auditors include:
  - a requirement for independent review and reporting on CPATA’s statutory compliance obligations; and



- a review of risks usually associated with an organization like CPATA, identified by the CEO, the Audit and Risk Committee, the Board and the Auditors.

## 7. Risk – Statutory Compliance

The CEO is responsible to see that:

- CPATA complies with its obligations under the *Privacy Act*, the *Access to Information Act*, the *Official Languages Act*, the Canada Labour Code and any other federal legislation that applies to it;
- CPATA complies with the provisions of The *CPATA Act*, the College’s Regulations and By-laws

## 8. Risk Management and Asset Protection

The CEO takes care to see that CPATA’s tangible and intangible assets are adequately protected and maintained and are not subject to unnecessary risk. In particular, the CEO:

- properly maintains property and equipment;
- properly protects intellectual property, information and files from loss, theft or significant damage;
- arranges for CPATA to have adequate insurance protection against all risks; and
- properly maintains information systems and appropriate backups for electronically stored information.

## 9. Whistleblowing

The CEO maintains a Board-approved Whistleblower Policy that is reviewed annually by the Audit and Risk Committee (see Appendix J).

## 10. Litigation Policies

The CEO instructs counsel on behalf of CPATA in all matters in which CPATA is a party to litigation or to judicial or quasi-judicial proceedings and is not represented by its insurer.

Any participation by CPATA in litigation or in judicial or quasi-judicial proceedings in which it is an applicant, appellant, intervener or plaintiff must be authorized by the Board, which must set out the scope of CPATA’s role in the matter.

In matters where CPATA or its employees, Board directors or committee members, are named as a defendant or a responding party in litigation or in judicial or quasi-judicial proceedings arising out of their role in CPATA, the CEO will:

- advise the Board as soon as practicable;
- report the matter to CPATA's insurers as soon as practicable for a determination of whether the matter is covered by the terms of the insurance policy and report the results to the Board;
- if the matter is not covered by insurance, retain and instruct counsel for CPATA, its employees, Board or committee members, and provide direction with respect to the nature and scope of CPATA's role in the matter, in consultation with the Chair of the Board as practicable; and
- report to the Board on the status of the matter from time to time.

The CEO advises on the status of litigation matters at all regular Board meetings or at special meetings called for that purpose.

## II. Support and Communication

The CEO supports the Board, committees and all those who provide assistance to CPATA through both leadership and administrative support. This includes effectively supporting good licensee and public relations and helping maintain and support key external relationships.

CPATA's relationships with individuals and organizations involved in innovation and intellectual property issues are critical to achievement of its strategic goals. Because the CEO plays a vital role in developing, nurturing and enhancing the quality and extent of these various relationships on behalf of CPATA, the CEO strives to see that external relationships are developed and maintained effectively with organizations having an interest in innovation and intellectual property, and opportunities for developing new external relationships and partnerships are identified.

## APPENDIX H

### Complaints against the CEO

The process for review of a complaint against the CEO is transparent, fair, impartial and respectful of all parties involved, in keeping with CPATA's Regulatory Objectives, Standards and Principles.

In this policy,

- i. "Chair" means the Chair of the Board,
- ii. "CEO" means both the CEO and Registrar.

#### 1. Overview

This policy prohibits any person from taking any action that adversely affects the employment (including working conditions) of an employee because the employee has made a disclosure of alleged wrongdoing. Other individuals, including those involved in an investigation of alleged wrongdoing (i.e., witnesses), are also protected against reprisal.

' Reprisal' includes, but is not limited to, ending or threatening to end employment, discipline, threat of discipline or penalty, and coercion or intimidation. However, a complainant who does not act in good faith in reporting a suspected violation may be subject to disciplinary action up to and including termination of employment or their relationship with CPATA.

Any employee found to be in violation of this policy when dealing with a complainant may be subject to disciplinary action up to and including termination of employment. Similarly, any Board Member, contractor or Investigator found to be in violation of this policy when dealing with a complainant may have their relationship with CPATA terminated.

The complainant will be provided the opportunity to remain anonymous, except in those circumstances where the nature of the disclosure and/or the resulting investigation necessitate the disclosure of the identity of the complainant. In such cases, all reasonable steps will be taken to protect the complainant from harm as a result of having made a disclosure.

#### 2. Referral of Issue

- 2.1 A person who has concerns with the conduct of the CEO in relation to the performance of their duties as CEO or adherence to their duties under the Code, may refer the information orally or in writing to the Chair.
- 2.2 The Chair will notify the CEO of the concerns and provide them with the information, which may or may not include the name of the individual expressing the concern, as noted above.
- 2.3 The CEO will be given the opportunity to provide an oral or written response to the issue to the Chair.

### 3. Role of the Chair

- 3.1 At any point in time, the Chair may discuss with the parties whether an informal resolution of the concerns would be possible. If so, the Chair will take such steps as appropriate to achieve an informal resolution and will document the discussions and resolution achieved.
- 3.2 Should informal resolution not be possible nor appropriate, on receiving the response from the CEO under 3.4, or if no response is provided, the Chair will determine the appropriate action and may:
- 3.2.1 conclude a review of the issue and:
- i. take no action;
  - ii. caution the CEO about the issue;
  - iii. require an undertaking from the CEO with respect to the conduct;
  - iv. advise the CEO on any other steps that should be taken to remedy or resolve the issue; or
  - v. refer the issue to an independent third-party investigator for review and investigation with appropriate terms of engagement for the investigation, where the Chair reasonably believes that it is in the interests of fairness and the integrity of CPATA governance process to do so.

### 4. Chair's Report to the Board

Where the Chair concludes their review with any of the steps set out in 3.2.1, the Chair will report the matter to the Board. This report will be addressed in-camera.

### 5. Investigator's Report

- 5.1 Where the Chair refers the issue to an investigator, the investigator will provide a written report to the Chair once the investigation is complete.

Based on the investigator's report, the Chair may:

- 5.1.1 conclude the review of the issue and provide a report to the Board as described above;  
or
- 5.1.2 determine that the issue should be referred to the Board for the purpose of determining whether the CEO engaged in conduct contrary to the duties and responsibilities of their position, or contrary to the provisions of the Code.

### 6. Referral to the Board

- 6.1 When making a referral to the Board under 5.1.2, the Chair will make the referral in writing and the issue will be considered and determined by at least a quorum of the Board in-camera.

- 6.2 After considering the issue, the Board will determine whether or not the CEO has engaged in conduct contrary to the duties and responsibilities of their position, or contrary to the provisions of the Code and will prepare written reasons for its decision.
- 6.3 Where the Board determines that the CEO has engaged in conduct contrary to the duties and responsibilities of their position, or contrary to the provisions of the Code, the Board may:
  - 6.3.1 caution the CEO about the issue;
  - 6.3.2 require an undertaking from the CEO with respect to the conduct;
  - 6.3.3 advise the CEO of any other steps that should be taken to remedy or resolve the issue;
  - 6.3.4 reprimand the CEO; or
  - 6.3.5 take such other action as deemed appropriate under the circumstances.
- 6.4 A copy of the Board's decision and reasons will be provided to the CEO.
- 6.5 The Board's decision is final and will be communicated to the complainant in writing.

## APPENDIX I

### Conflicts of Interest Register

The Board's Conflict of Interest Policy (refer to Appendix D Code of Conduct) supports CPATA in demonstrating that its decision-making is independent, transparent and worthy of public trust and confidence.

At the time of appointment and annually thereafter, all Board directors will be asked to complete a Declaration of Interest Form. This will be retained in a central Conflicts of Interest Register.

The form requires the following information as it pertains to the Director's term of service on the Board:

- name
- employment
- involvement in bodies exercising functions of a public nature - this includes any role on the governing Board, Council, Committee or Group of a public body, including a government body, non-departmental public body, arm's length body, corporate body or other regulator
- identification of the capacity in which the director is involved in each of these entities or organizations; e.g. Director, Chair, committee member, etc.
- identification of the duration of the director's involvement in each

#### **Annual Review**

The Conflict of Interest Register will be reviewed by the Chair of the Board and the CEO, and updated at least semi-annually.

## APPENDIX J

### Whistleblower Policy

#### Background

CPATA is committed to meaningful communication at all levels of the organization in a way that promotes and supports good governance principles. CPATA is committed to conducting its duties with honesty and integrity at all times. If at any time this commitment is not followed or appears to be in question, CPATA will seek to identify and remedy such situations. With this in mind, CPATA's Board, committee members and staff are encouraged to raise genuine concerns without fear of reprisals or consequences.

#### Purpose

The purpose of this Whistleblower Policy is to provide direction to all current and former directors, committee members, employees, contractors and the public regarding the communication of concerns with respect to issues of honesty and integrity and, in particular, of potentially illegal or unethical conduct in operational or financial matters.

This policy prohibits any person from taking any action that adversely affects the employment (including working conditions) of an employee because the employee has made a disclosure of alleged wrongdoing. Other individuals, including those involved in an investigation of alleged wrongdoing (i.e., witnesses), are also protected against reprisal.

'Reprisal' includes, but is not limited to, ending or threatening to end employment, discipline, threat of discipline or penalty, and coercion or intimidation. However, a complainant who does not act in good faith in reporting a suspected violation may be subject to disciplinary action up to and including termination of employment or their relationship with CPATA.

Any employee found to be in violation of this policy when dealing with a complainant may be subject to disciplinary action up to and including termination of employment. Similarly, any Board Member, contractor or Investigator found to be in violation of this policy when dealing with a complainant may have their relationship with CPATA terminated.

The complainant will be provided the opportunity to remain anonymous, except in those circumstances where the nature of the disclosure and/or the resulting investigation necessitate the disclosure of the identity of the complainant. In such cases, all reasonable steps will be taken to protect the complainant from harm as a result of having made a disclosure.

#### 1. Policy

##### Definitions

In this Policy:

- 1.1 'Whistleblower' means any current or former director, employee, contractor, agent of CPATA, or member of the general public who has reported a whistleblower incident;

1.2 'Whistleblower incident' means a concern related to issues of honesty and integrity within CPATA, in particular with respect to operational and financial issues. Examples of whistleblower incidents may include:

- violation of legal obligations, rules, regulations, by-laws or policy;
- endangerment of health and safety;
- gross mismanagement or omission or neglect of duty;
- abuse of authority;
- mismanagement in the use or failure to use funds, including inappropriate recording or reporting of revenues, or lack thereof;
- inappropriate classification or presentation of assets and/or liabilities;
- breach of fiduciary duty and/or abuse of trust;
- inappropriate occurrences at a CPATA event, whether on-line or in person; and
- concealment of any of the above or any other violation of this policy.

## **2. Authority**

Overall authority for this policy rests with the Board and the CEO. The CEO is responsible for facilitating the communication and operation of this policy, including appropriate training and review. All staff, Board directors and committee members are responsible for the success of the policy and that they take any reasonable actions required to make the policy effective and of optimal value to CPATA.

## **3. Process**

### **Whistleblower Incident Reporting**

- 3.1 The Whistleblower must promptly communicate whistleblower incidents as soon as the Whistleblower becomes aware of such situations.
- 3.2 Whistleblower incidents may be communicated to the CEO orally (by phone or in person) or in writing (mail, email).
- 3.3 In the event that the incident relates to the conduct of the CEO, the report should be made to the Chair of the Board.

## **4. Procedures**

- 4.1 All Whistleblower incidents shall be reported to CPATA's CEO/Registrar or, if the incident relates to the conduct of the CEO, then to the Chair of the Board. If reported to the CEO, the CEO will be responsible for compliance with this policy and will immediately advise the Chair of the Board.
- 4.2 Once received, the incident report will be assessed and a recommendation for investigation sent to the Chair of the Board. The CEO and Chair of the Board will then reach consensus and the



investigation will be undertaken, involving other staff and/or the Board depending on the scope and severity of the incident reported.

- 4.3 The CEO, in consultation with the Chair of the Board, or the Chair of the Board as the case may be, may refer any Whistleblower incident for review by an independent third-party approved by the Board. Any Whistleblower incident involving the Chair of the Board will be reported to the Board and promptly referred to an independent third-party.
- 4.3 A report will be prepared, and any recommended actions will be approved by the Board.

## 5. Documentation

Documents will be held in confidence by all parties and participants under this policy. Official reports for the CEO or other designated parties will be kept confidential by any recipient unless otherwise authorized by the report or the CEO. All relevant documentation including reports, discussions and supporting information will remain in the control and custody of the CEO unless otherwise authorized pursuant to a report or decision issued in accordance with this policy.

## APPENDIX K

### Privacy Policy

In this policy:

- a. “administrative purpose” means the use of information about an individual in a decision-making process that directly affects that individual. This includes all uses of personal information for confirming identity (authentication and verification purposes) and for determining eligibility of individuals for government programs.
- b. “agent” means an individual registered with the College as a Patent Agent or Trademark Agent.
- c. “Board” means the Board of Directors of the College of Patent Agents and Trademark Agents (“the College”). The Board consists of nine directors, five appointed under s. 13 of the *CPATA Act* and four elected.
- d. “CIPO” means the Canadian Intellectual Property Office.
- e. “the College” means the College of Patent Agents and Trademark Agents.
- f. “*CPATA Act*” means the *College of Patent Agents and Trademark Agents Act*.
- g. “non-administrative purpose” means the use of personal information for a purpose that is not related to any decision-making process that directly affects the individual. This includes the use of personal information for research, statistical, audit and evaluation purposes.
- h. “OPC” means the Office of the Privacy Commissioner of Canada.
- i. “patent agent” means an individual who holds either a patent agent licence or a patent agent in training licence.
- j. “personal information” means information about an identifiable individual that is recorded in any form. As defined in section 3 of the *Privacy Act*: “information about an identifiable individual that is recorded in any form including, without restricting the generality of the foregoing,
  - information relating to the race, national or ethnic origin, colour, religion, age or marital status of the individual;
  - information relating to the education or the medical, criminal or employment history of the individual or information relating to financial transactions in which the individual has been involved;
  - any identifying number, symbol or other particular assigned to the individual;
  - the address, fingerprints or blood type of the individual;

- *the personal opinions or views of the individual except where they are about another individual or about a proposal for a grant, an award or a prize to be made to another individual by a government institution or a part of a government institution specified in the regulations;*
- *correspondence sent to a government institution by the individual that is implicitly or explicitly of a private or confidential nature, and replies to such correspondence that would reveal the contents of the original correspondence;*
- *the views or opinions of another individual about the individual;*
- *the views or opinions of another individual about a proposal for a grant, an award or a prize to be made to the individual by an institution or a part of an institution referred to in paragraph (e), but excluding the name of the other individual where it appears with the views or opinions of the other individual; and*
- *the name of the individual where it appears with other personal information relating to the individual or where the disclosure of the name itself would reveal information about the individual."*

k. "personal information bank" means a description of personal information that is organized and retrievable by a person's name or by an identifying number, symbol or other particular assigned to that person. The personal information described in the personal information bank has been used, is being used, or is available for an administrative purpose and is under the control of a government institution. Institution-specific personal information banks are specific to the College; standard personal information banks are those containing personal information for a common internal service (e.g., accounts payable, receivable, access to information requests).

l. "PIA" means Privacy Impact Assessment, which is a due diligence exercise that: identifies and addresses potential risks to the privacy of individuals' personal information that may arise during the implementation of a system, project, program or activity of the College or a change thereto; and helps to support the College's compliance with this policy, the *Privacy Act* and the *CPATA Act*.

m. "privacy breach" means the unauthorized collection, use or disclosure of personal information. Such activity is "unauthorized" if it occurs in contravention of the *Privacy Act*. A breach may be the result of inadvertent errors or of malicious actions by employees, agents, contractors, third parties, partners in information-sharing agreements, or intruders.

n. "Privacy notice" means a notification, electronic or otherwise, to individuals about: the purpose for which personal information is collected (i.e., principally how the information is intended to be used); the authority for such collection; and the contact information for an individual within the College who can answer questions about the collection. A privacy notice should provide a reference to the College's Privacy Statement where more information about the College's information practices may be found.

o. "Privacy Officer" means the individual designated by the Chief Executive Officer (CEO) or head of the College under section 73(1) of the *Privacy Act*.

p. "Privacy Statement" means a publicly available statement that explains the personal information the College collects, uses, discloses, stores, and protects in compliance with

applicable legislation, and how individuals may exercise their privacy rights with respect to their personal information held by the College.

q. “service provider” means an organization, business or individual that provides services to the College (e.g., IT, consulting, advisory services) and is not an employee of the College.

r. “TBS” means the Treasury Board of Canada Secretariat. TBS provides advice and makes recommendations to the Treasury Board committee of ministers on how the government spends money on programs and services, how it is regulated and how it is managed.

s. “trademark agent” means an individual who holds either a trademark agent licence or a trademark agent in training licence.

## 1. POLICY OBJECTIVES

- The College complies with the *Privacy Act* and applicable TBS policies and directives governing personal information in its custody or control; and
- All individuals working with, for or on behalf of the College are accountable for respecting the privacy rights of individuals, in accordance with the Federal *Privacy Act* and TBS policies whenever they are collecting, using, disclosing, storing or disposing of personal information in carrying out their duties.

## 2. SCOPE

This policy applies to these individuals when acting for or on behalf of the College with respect to personal information in the custody or under the control of the College:

- The College Board;
- Individuals employed by the College on a permanent, temporary, part-time, or contract basis;
- Members of the Investigations Committee, Discipline Committee, Registration Committee, and of any governance or ad hoc committees established by the Board or the CEO; and
- All service providers of the College to the extent that they collect, access, use, process or store personal information on behalf of the College as part of their duties.

## 3. POLICY STATEMENT

Personal information in the College’s custody or under its control is only created, collected, retained, used, disclosed and disposed of in a manner that respects and complies with the *Privacy Act* and its Regulations and aligns with TBS privacy policies and directives. The College upholds the privacy rights of individuals whose personal information is controlled by the College, in accordance with these requirements.

## 4. PROCEDURES

### 4.1 Accountability for Personal Information

- The College is accountable for personal information in its custody and under its control. The College has developed, implemented and maintains, a Privacy Management Program to facilitate meeting its privacy obligations, adhering to privacy principles, and managing privacy risks over time.

- The College's accountability extends to personal information that is collected, used (e.g., handled or processed), accessed, disclosed, stored or disposed on its behalf by service providers. The College uses contractual or other means to hold service providers accountable for complying with the College's obligations.
- The CEO of the College has designated a Privacy Officer under section s. 73(1) of the *Privacy Act* with the powers, duties, and functions to make sure the College's complies with privacy legislation, through the College's Privacy Management Program.
- Individuals subject to this policy must:
  - formally acknowledge (in writing) upon hire or contract signing they have reviewed, understand and agree to comply with the College's privacy policies, and annually confirm this agreement;
  - complete the required privacy training within the first month of their employment or contract, and any additional privacy training required thereafter; and
  - adhere to this Privacy Policy and supporting privacy procedures when collecting, using, disclosing, storing, handling and retaining personal information.
- The Privacy Officer will facilitate privacy training for individuals and periodically review and update the privacy training based on significant changes to privacy legislation, best practices, or risks impacting the College.

#### 4.2 Privacy Impact Assessments

- In accordance with the TBS Directive on Privacy Impact Assessments, the College will complete a PIA (using the template in Annex C of the TBS Directive on Privacy Impact Assessments) for a program or activity in the following circumstances:
  - when personal information is used for or is intended to be used as part of a decision-making process that directly affects the individual; and
  - upon substantial modifications to existing programs or activities where personal information is used or intended to be used for an administrative purpose.
- The requirement for a PIA will be incorporated as a component of the College's project management, IT planning, and new business process development.
- The College will notify the Privacy Commissioner of any planned initiatives (legislation, regulations, by-laws, policies, or programs) that could relate to the *Privacy Act* or to any of its provisions, or that may impact on the privacy of Canadians. This notification is to take place at a stage to permit the Commissioner to review and discuss the issues involved.
  - The Privacy Officer will work with the Office of the Privacy Commissioner to implement any recommendations or conduct any subsequent consultations throughout the development of the PIA.
- Completed PIAs must:
  - be reviewed to determine compliance with applicable privacy legislation and this policy;

- be approved by the CEO;
- be provided to the TBS and the OPC; and
- be summarized and made available on the College website in accordance with the TBS Directive on Privacy Impact Assessments.

#### 4.3 Consent

- The College obtains written or verbal consent<sup>1</sup> from an individual under the following circumstances:
  - Before the indirect collection of personal information, unless seeking consent would result in collecting inaccurate information, would defeat the purpose of collection or would prejudice the use of the information collected;
    - for example, the College will generally collect personal information about an Agent from a complainant for the purpose of investigating the Agent without consent, as obtaining consent would prejudice the use of the information.
  - Before using or disclosing personal information for a purpose or purposes that are not consistent with the purposes for which the information was originally obtained or compiled;
  - Before disposing of personal information unless such disposition is expressly authorized by legislation, or the two-year minimum retention period established by the *Privacy Act* Regulations has passed; and
  - If it intends to disclose a complaint received by the College or any privileged or confidential information obtained in the course of an investigation or proceeding. In this case, written consent will be sought of all persons whose rights or interests may reasonably be affected.

Obtaining an individual's consent to a collection of personal information does not replace or establish authority for the collection of that information under the *Privacy Act*; rather the College will seek to collect only personal information that is directly related to and demonstrably necessary for the College's regulatory activities<sup>2</sup> (see section 4.4 for more information on collection).

#### 4.4 Collection of Personal Information

- Personal information may only be collected or created (e.g., issuing a licence number, or placing limitations on a licence is creating personal information) if:
  - the personal information is directly related to a regulatory activity of the College; and
  - the collection of the personal information is necessary for the College to meet its statutory purposes and its regulatory objectives.
- In determining whether the personal information is directly related to a regulatory activity, the College's powers, and duties under the *CPATA Act*, Regulations, by-laws and policies requiring or authorizing the collection of personal information should be consulted. The College's policies provide direction and guidance on the necessity of personal information to accomplish the College's objectives. Before collecting or creating new personal information, the College will:
  - Identify the personal information to be collected;
  - Identify the purpose(s) for collecting each type of personal information;
  - Post a privacy notice (see section 4.5);

- Identify each element of personal information to be included in a Personal Information Bank (PIB); and
  - Collect only as much personal information needed to accomplish the identified purpose(s).
- The College collects or creates personal information intended to be used for an administrative purpose directly from the individual to whom it relates except:
    - When the individual authorizes the College to collect the personal information from another source;
    - When the personal information is collected for a purpose for which the personal information may be disclosed to the College under subsection 8(2);
    - When collecting the personal information directly from the individual might result in the collection of inaccurate information; or
    - When collecting the personal information directly from the individual might defeat the purpose or prejudice the use for which the personal information is being collected. For example, the College will generally indirectly collect personal information about an Agent from a complainant for the purpose of investigating the Agent rather than directly from the Agent as direct collection would likely defeat the purpose or prejudice the use of the personal information.

#### 4.5 Privacy Notice

- At a location where it is likely to come to a reader's attention, the College provides an up to date a privacy notice before personal information is collected from individuals.
- The notice is adapted for either written or verbal communication, as required.
- The content of the notice includes:
  - The purpose and authority for the collection;
  - Any uses or disclosures that are consistent with the original purpose of collection;
  - Any legal or administrative consequences for refusing to provide the information;
  - The individual's rights of access and correct personal information under the *Privacy Act*;
  - Reference to the applicable PIB, as described in InfoSource; and
  - The right to file a complaint to the Privacy Commissioner of Canada regarding the College's handling of the individual's personal information.

#### 4.6 Use of Personal Information

- Personal information may only be used:
  - For the purpose for which the information was obtained or compiled by the College or for a use consistent with that purpose; or
  - For a purpose for which the information may be disclosed to the College under subsection 8(2) of the *Privacy Act*. This includes any purpose in accordance with any Act of Parliament or a regulation made thereunder that authorizes its disclosure.
- Individuals subject to this policy must:

- Only use the minimum amount of personal information required for the immediate, valid purpose identified; and
- Access personal information only on a need-to-know basis. Individuals are only permitted to access and use personal information when it is necessary to carry out their role within the College.

#### 4.7 Disclosure of Personal Information

- Personal information will not be disclosed unless consent of the individual is obtained, or if the disclosure is otherwise permitted or required under the *Privacy Act* or under the *CPATA Act*.
- For further clarity, and notwithstanding anything else to the contrary contained herein, personal information may be disclosed for the following purposes:
  - Maintaining the Registers of Patent Agents and Trademark Agents;
  - complying with a subpoena, warrant or court order;
  - if there is a risk of harm and the disclosure is in accordance with section 65(2)(e) of the *CPATA Act*;
  - For the purpose of adhering to the *Privacy Act* where, in the opinion of the CEO:
    - the public interest in disclosure clearly outweighs any invasion of privacy that could result from the disclosure, or
    - disclosure would clearly benefit the individual to whom the information relates; and
  - With the written consent of the individual to whom the information relates (such as disclosure to an intersectoral regulator (e.g., provincial law society)).
- Everyone subject to this policy must:
  - Only disclose the minimum amount of personal information required to meet the valid purpose identified; and
  - Consult with the Privacy Officer before disclosing any personal information outside of what is required for their role.

#### 4.8 Retention and Disposition of Personal Information

- Personal information is retained for the period needed to fulfill the identified and authorized purposes, or to comply with a legal requirement, in compliance with the College's Records Retention Schedule and the *Library and Archives Canada Act*;
- Personal information used for an administrative purpose is retained for a minimum of two years unless the individual authorizes the disposal; and
- Personal information no longer required to be retained according to the College's Records Retention Schedule, will be securely destroyed, erased or de-identified such that contents are unreadable.

#### 4.9 Accuracy

- The College takes reasonable steps to confirm that personal information is accurate, complete, and up to date as is necessary for the purposes for which it is to be used, and to minimize the possibility that inaccurate or incomplete information may be used to make a decision that directly affects an individual.



- The College has documented procedures allowing individuals to request a correction of their personal information where the individual believes there has been an error or omission, in accordance with the College's Access to and Correction of Personal Information Procedure.

#### 4.10 Safeguarding Personal Information

- The College is accountable to protect personal information in its custody and under its control against such risks as unauthorized access, collection, use, disclosure, or disposal using reasonable security arrangements. The security arrangements include a combination of technical, administrative, and physical safeguards. The reasonableness of the security arrangements takes into consideration factors such as the sensitivity, amount, distribution, format and the method of storage of the information to be protected.
- When disclosing personal information, the College will implement reasonable safeguards before the information is shared.
- The College requires access to personal information to be role-based and limited to the minimum amount of information needed for the authorized purpose(s).
- The College monitors access to and use of personal information to provide timely identification of inappropriate or unauthorized access to or handling of personal information through such means as auditing.
- The College requires service providers to adhere to the College's legal obligations related to handling and safeguarding of personal information and service providers are required to comply with this privacy policy.
- College contracts with service providers that access, use or otherwise handle or store person information on the College's behalf include provisions to address:
  - obligations of the service provider acting on behalf of the College under applicable legislation and policies;
  - control over the personal information;
  - limitations on collection, use, disclosure, and retention of personal information;
  - secure disposition of the personal information;
  - administrative, technical and physical safeguards; and
  - providing the College with the right to review, assess, audit, or verify compliance with the service providers contractual obligations (as described above).

#### 4.11 Privacy Breach

- The College has published a Privacy Breach Management Protocol to be followed for all known or suspected privacy breaches to provide for an effective and timely response to privacy breaches, in accordance with legal requirements.
- Individuals subject to this policy must immediately report any actual or suspected breach of privacy to the Privacy Officer.

- If the Privacy Officer becomes aware of a Privacy Breach, the Privacy Officer must notify the CEO.

#### 4.12 Openness

- The College's practices for managing personal information are available to individuals, including members of the public and agents, through the College's Privacy Statements on its website. The Privacy Statements will be reviewed periodically and updated as needed based on changes in how the College collects, uses, discloses, or protects personal information.

#### 4.13 Individual Access

- Individuals may request access to their personal information and may examine or will receive a copy of their personal information maintained by the College, subject to exceptions in the *Privacy Act*, by making a request to the College Privacy Officer in writing.
- The College has published an Access to and Correction of Personal Information Procedure in compliance with the *Privacy Act* and TBS policies.
- Requests for access to personal information will be processed in accordance with the College's Procedure.
- Any requests for access to personal information must be immediately referred to the Privacy Officer.

#### 4.14 Privacy Inquiries

- The College has a Privacy Inquiries Procedure in compliance with the *Privacy Act* and TBS policies.
- All privacy inquiries (including privacy complaints) must be investigated by the College in accordance with its Privacy Inquiries Procedure.
- Upon receipt of a privacy inquiry, anyone subject to this policy must immediately refer the inquiry to the College's Privacy Officer.

#### 4.15 Personal Information Bank (PIB)

- The College has registered one PIB with the TBS related to Agent personal information.
- The College stores personal information in several standard PIBs including:
  - *Access to Information Act* and *Privacy Act* Requests PSU 901
  - Employee Personnel Record PSE 901
  - Security Incidents and Privacy Breaches PSU 939
- The College will notify TBS of changes to PIBs and, where these changes are substantial, will provide TBS a privacy impact assessment as required by the Directive on Privacy Impact Assessments.
- The Privacy Commissioner of Canada will be notified if the College plans to use personal information for a new, consistent use not already identified in the relevant PIB.

## 5. POLICY GUIDELINES

To support the administration of this policy, the College may develop additional written procedures to provide guidance in specific areas, in alignment with the direction of this policy and the Privacy Management Program. If written procedures or guidelines differ from this policy, this policy prevails.

## 6. ROLES AND RESPONSIBILITIES

### a) Employees

All employees are required to:

- Sign the College Confidentially Agreement, upon hire or upon contract signing and prior to accessing personal information, that they have reviewed, understand and agree to comply with this Privacy Policy and any supporting privacy policies and procedures when collecting, using, accessing, storing, handling, retaining, or disposing of personal information;
- Respect the privacy rights of individuals and protect personal information, as required under this policy; and
- Complete College privacy training as outlined in the College's Privacy Management Program and/or as directed by the CEO.

### b) Chief Executive Officer (CEO)

In addition to the duties outlines above, the CEO is accountable to:

- Delegate appropriate authority under the *Privacy Act* to the College's Privacy Officer;
- Review and approve the College Privacy Policy and its Privacy Statement(s) and any significant changes, and recommend approval to the Board;
- Implement and oversee compliance with this policy and the Privacy Management Program within the College and report to the College's Board;
- Recommend approval of the Privacy Policy and Privacy Statements to the Board;
- Make available the College's information practices to the public; and
- Approve agreements and contracts related to service providers' handling of personal information.

### c) Board of Directors and Committee Members

The Board is responsible to:

- Approve the College Privacy Policy, and Privacy Statements;
- Know and understand their obligations under this policy;
- Complete privacy training;
- Acknowledge the Board Code of Conduct, including the obligations to maintain confidentiality of all information (including personal information) received or reviewed during their time on the Board; and

- Receive and review periodic reports on the status of the Privacy Management Program and significant privacy risks as part of their role in overseeing organizational governance and risk.

Committee members are responsible to know and understand their obligations under this policy, adhere to the Code of Conduct and complete privacy training

#### d) Privacy Officer

The Privacy Officer is responsible to, in addition to the responsibilities of an employee:

- Provide advice and guidance to employees with respect to the management of personal information within the College;
- Monitor, assess and report to the CEO and through the CEO to the Board on the College's progress in implementing the Privacy Management Program;
- Maintain and update the Privacy Management Program (including the organization's policies, procedures, training and other privacy controls) as needed based on:
  - Changes in the College's legal or regulatory framework;
  - The outcome of PIAs, audits, or other privacy or security risk assessments;
  - Recommendations arising from privacy breach or complaints investigations;and
  - Emerging privacy risks and best practices.
- Identify the need for new or updated PIBs;
- Lead the process to complete or update PIAs as necessary, where required under this policy;
- Identify and assess privacy risks associated with projects, programs and services;
- Lead the College's response to privacy breaches, complaints and access/correction requests, ensuring compliance with *Privacy Act*;
- Prepare annual reports for TBS and OPC under the *Privacy Act* and TBS policies; and
- Monitor the College's response to privacy risks to mitigate them in an effectively and timely manner.

## 7. COMPLIANCE AND MONITORING

- The College Privacy Officer with the support from the CEO, monitors compliance with this policy.
- In the College's Annual Report to the Minister under the CPATA Act, a report on compliance with this policy will be included.
- Non-compliance with this policy may be subject to disciplinary action, including termination of employment or contract.

## REFERENCES AND RELATED DOCUMENTS

- *Federal Privacy Act and Regulations*
- *College of Patent Agents and Trademark Agents Act, Regulations and By-laws*
- *TBS Directive on Privacy Practices*
- *TBS Policy on Privacy Protection*
- *Patent Act*
- *Trademark Act*
- *Library and Archives of Canada Act*
- *Standard on Privacy and Web Analytics*

**CONTACTS FOR ADDITIONAL INFORMATION**

<b>Name</b>	<b>Phone</b>	<b>Email</b>
Andres Diaz	(514) 562-7017	privacy@cpata-cabamac.ca

## APPENDIX L

# Official Languages Policy

### Introduction

The College of Patent Agents and Trademark Agents (CPATA) is the public interest regulator of patent agents and trademark agents in Canada. CPATA aims to conduct its regulatory activities in ways that value and support the official languages spoken in Canadian communities.

### Context

CPATA was established in June 2021. It is not a governmental organization; rather, it is a federally constituted regulator. It has a small staff team that manages its daily operations.

### Legislative Framework

CPATA is subject to the [Official Languages Act](#), the [Official Languages Regulations](#) and the [Policy on Official Languages](#).

### Policy Objective

CPATA's objective is to ensure it performs its regulatory activities in ways that are free from linguistic bias for Canada's official languages communities. More specifically, this means its services, communications, work environment and activities are available to individuals in the official language of their choice, French or English, without prejudice.

### Official Languages Governance

The CEO and Registrar is the Deputy Head responsible for Official Languages at CPATA. On an operational level, the Communications Officer acts as the Official Languages Champion and is responsible for ensuring that the policy and procedures are applied. The Communications Officer also monitors compliance with the *OLA* and flags concerns to the CEO and Registrar.

### Scope

The policy applies to all of CPATA's activities and to all individuals acting for or on behalf of the College, including:

- The College Board and Committees;
- Individuals employed or retained by the College on a permanent, temporary, part-time, or contract basis;
- Members of the College's committees; and
- All service providers acting on behalf of the College.

### Policy Requirements

Communications with and services to the public

CPATA is a virtual organization, without physical offices. CPATA communicates to its audiences (e.g., its licensees and the public) via its website, Licensee Portal and Public Register, monthly newsletter and social media. Individuals can reach CPATA via e-mail and phone.

**Goal:**

- To provide access to information of equivalent quality in both French and English within the same timeframe for responses regardless of language
- To provide services in the official language of choice of the individual accessing the service
- To ensure that no linguistic bias exists that may prejudice against individuals from Canada's official language minority communities

**Examples actions:**

- Information published through mass communication channels is distributed in both French and English at the same time
- CPATA's Public Register and Licensee Portal are available in both French and English
- One-on-one communication with individuals is conducted in the language of choice of the individual
- Regulatory activities such as qualifying examinations, agent conduct proceedings and committee hearings are conducted in the language of choice of the licensee or applicant
- Information regarding CPATA's functioning, including policies and Board meetings, are available in both official languages

**Workplace Culture**

CPATA has a small staff team, working remotely from home offices across the country. A Board of Directors governs the organization, and committees help CPATA perform its regulatory functions. The College views geographic, cultural and linguistic diversity as a major asset in its development as a national regulator.

**Goal:**

- To create a workplace culture that values the use of both official languages
- To provide equal access to employment opportunities and advancements for English-speaking and French-speaking individuals

**Example actions:**

- Key positions will be staffed without prejudice to the official language of choice of the incumbent, provided they meet the language requirements of the role

**Training and Awareness**

As a new organization, CPATA is building its institutional understanding of the *Official Languages Act* and is creating systems to advance an extensive and ongoing understanding of the *OLA's* provisions, motivations and relevance among team members.

**Goal:**

- To foster an understanding of the *Official Languages Act*, and of linguistic duality and official languages minority communities, among the Board of Directors, staff and external providers

**Example actions:**

- All new employees, Board members and committee members will receive training as part of their onboarding dedicated to explaining how the *Official Languages Act* applies to CPATA
- All external providers will be briefed about their obligations as they pertain to their specific functions

**Monitoring and Compliance**

Compliance with the *Official Languages Act* is monitored constantly by the Communications Officer and issues are flagged to the CEO. Members of the public can raise concerns via CPATA's website.

Compliance is reported quarterly to CPATA's Board of Directors in the form of a legislative compliance memo, which is available to the public on CPATA's website as part of the Board Meetings Materials package.

This policy will be reviewed at least every 5 years, with more frequent revisions expected in the first years of CPATA's existence.



## Memorandum

TO	<b>Board of Directors</b>
FROM	<b>Audit &amp; Risk Committee</b>
DATE	<b>March 22, 2024</b>
SUBJECT	<b>Audited Financial Statements December 31, 2023</b>

**MOTION: Be it resolved:**

**The Board approves CPATA's Audited Financial Statements for the period ending December 31, 2023 as provided in this meeting package;**

**Further, be it resolved the Chair or Vice-Chair of the Board and the Chief Executive Officer are authorized to sign the statements on behalf of the College and the CEO is authorized to publish the statements on CPATA's website and distribute them as required.**

The Audit & Risk Committee met with the auditors from Grant Thornton on Monday, March 18<sup>th</sup> to review the Audited Financial Statements and the Report to the Audit & Risk Committee on the Audit Results.

The Audit resulted in Grant Thornton reporting that the financial statements present fairly, in all material respects, the financial position of CPATA as at December 31, 2023 and its results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

**Recommendation:**

The Audit & Risk Committee has reviewed CPATA's Audited Financial Statements and reports for the period ending December 31, 2023, and recommends the approval of the Financial Statements to the Board of Directors.

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



Financial Statements

College of Patent Agents and Trademark Agents

December 31, 2023

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# College of Patent Agents and Trademark Agents

## Statement of financial position

As at December 31

2023

2022

### Assets

#### Current

Cash and cash equivalents	\$ 440,537	\$ 454,538
GST/HST receivable	28,595	42,290
Prepaid expenses	<u>16,154</u>	<u>28,391</u>
	485,286	525,219

#### Capital assets (Note 3)

	<u>5,656</u>	<u>9,714</u>
	<u>\$ 490,942</u>	<u>\$ 534,933</u>

### Liabilities

#### Current

Payables and accruals (Note 5)	\$ <u>193,644</u>	\$ <u>230,050</u>
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### Net assets

#### Unrestricted net assets

	<u>297,298</u>	<u>304,883</u>
	<u>\$ 490,942</u>	<u>\$ 534,933</u>

#### Contingent liability (Note 6)

On behalf of the Board

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

See accompanying notes to the financial statements.

## College of Patent Agents and Trademark Agents

### Statement of operations

Year ended December 31 2023 2022

#### Revenues

License fees	\$ 1,996,597	\$ 2,121,355
Exam fees	129,200	168,350
Application fees	67,065	64,354
Interest Income	<u>13,663</u>	<u>-</u>
	<u>2,206,525</u>	<u>2,354,059</u>

#### Expenditures

Amortization	2,465	3,156
Audit fees	21,400	19,260
Board and committee	367,342	335,712
Communication and stakeholder relations	22,450	101,138
Dues and memberships	8,392	6,089
Exam software	39,123	39,407
Finance and accounting	91,350	92,290
Human resource and recruitment	18,590	180,385
Information technology and website	23,473	38,508
Insurance	50,884	60,872
Interest and bank charges	47,490	53,026
Legal fees	379,909	397,574
Licensee system software	49,281	52,200
Office	33,052	22,330
Registration and program consulting fees	135,646	122,437
Salaries and benefits	815,717	651,593
Staff travel	26,440	19,803
Translation fees	<u>81,106</u>	<u>98,412</u>
	<u>2,214,110</u>	<u>2,294,193</u>

(Deficiency) excess of revenues over expenditures	\$ (7,585)	\$ 59,866
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See accompanying notes to the consolidated financial statements.

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**College of Patent Agents and Trademark Agents**  
**Statement changes in net assets**

Year ended December 31	2023	2022
Net assets, beginning of the year	\$ 304,883	\$ 245,017
(Deficiency) excess of revenues over expenditures	<u>(7,585)</u>	<u>59,866</u>
Net assets, end of year	<u>\$ 297,298</u>	<u>\$ 304,883</u>

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See accompanying notes to the consolidated financial statements.

## College of Patent Agents and Trademark Agents Statement of cash flows

Year ended December 31	2023	2022
Increase (decrease) in cash and cash equivalents		
<b>Operating</b>		
(Deficiency) excess of revenues over expenditures	\$ (7,585)	\$ 59,866
Amortization	<u>2,465</u>	<u>3,156</u>
	(5,120)	63,022
Change in non-cash operating working capital		
Prepaid expenses	12,237	(3,503)
GST/HST receivable/payable	13,695	(74,926)
Payables and accruals	<u>(36,406)</u>	<u>7,822</u>
	(15,594)	(7,585)
<b>Investing</b>		
Disposal of capital assets	1,593	-
Purchase of capital assets	<u>-</u>	<u>(4,701)</u>
	1,593	(4,701)
Net decrease in cash and cash equivalents	(14,001)	(12,286)
Cash and cash equivalents		
Beginning of year	<u>454,538</u>	<u>466,824</u>
End of year	<u>\$ 440,537</u>	<u>\$ 454,538</u>

See accompanying notes to the consolidated financial statements.

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# College of Patent Agents and Trademark Agents

## Notes to the financial statements

December 31, 2023

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### 1. Nature of operations

The College of Patent Agents and Trademark Agents (CPATA) is a not-for-profit organization, established as a statutory body corporate pursuant to the College of Patent Agents and Trademark Agents Act (S.C. (Statutes of Canada) 2018, c. 27, s. 247) on December 13, 2018. CPATA began operations in 2020 and assumed responsibility for regulating the practice of Patent Agents and Trademark Agents in Canada from the Canadian Intellectual Property Office (CIPO) on June 28, 2021.

The purpose of CPATA is to regulate patent and trademark agents in the public interest and to enhance the public's ability to secure intellectual property rights under the Patent Act and the Trademarks Act. CPATA is a registered non-profit under the Income Tax Act and is exempt from income taxes.

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### 2. Summary of significant accounting policies

#### Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") as management has concluded that CPATA is not controlled by government. The significant accounting policies are detailed as follows:

#### Fund accounting

CPATA follows a policy of appropriating surplus for future commitments. Surplus is allocated based on projected future requirements. Unrestricted net assets are available for future general use of CPATA.

CPATA does not currently have any Internally restricted net assets. CPATA is developing policies related to funds which the Board of Directors may restrict for the purpose of covering expenditures in excess of its operating budget. Internally restricted funds are not available for other purposes without the approval of the Board of Directors.

#### Financial instruments

##### *Initial measurement*

CPATA's financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred. Financial instruments consist of cash and cash equivalents, payables and accruals.



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# College of Patent Agents and Trademark Agents

## Notes to the financial statements

December 31, 2023

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### 2. Summary of significant accounting policies (continued)

#### Financial instruments (continued)

##### *Subsequent measurement*

At each reporting date, CPATA measures its financial assets and liabilities at fair value or amortized cost (less impairment in the case of financial assets). The financial instruments measured at amortized cost are cash and cash equivalents, payables and accruals. Investments are carried at fair value.

For financial assets measured at cost or amortized cost, CPATA regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and CPATA determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

It is management's opinion that CPATA is not exposed to significant interest, currency or credit risks arising from these financial instruments. CPATA's main financial instrument risk exposure is detailed as follows:

##### *Liquidity risk*

Liquidity risk is the risk that CPATA will be unable to fulfill its obligations on a timely basis or at a reasonable cost. CPATA manages its liquidity risk by monitoring its operating requirements. CPATA prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

#### Cash and cash equivalents

Cash and cash equivalents include balances on deposit with financial institutions. Also included are short-term redeemable Guaranteed Investment Certificates (G.I.C.).

#### Capital assets

Capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to CPATA's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized using the following methods and rates:

Computer hardware	30%	declining balance
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# College of Patent Agents and Trademark Agents

## Notes to the financial statements

December 31, 2023

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### 2. Summary of significant accounting policies (continued)

#### Revenues

CPATA follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Licence fees are recognized as revenue over the period of licensure which is the calendar year.

Exam fees are recognized as revenue over the period in the which the exams are written.

#### Use of estimates

The preparation of the financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. Items subject to significant management estimates include useful lives of capital assets.

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### 3. Capital assets

			<u>2023</u>	<u>2022</u>
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer hardware	\$ 11,566	\$ 5,910	\$ 5,656	\$ 9,714

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# College of Patent Agents and Trademark Agents

## Notes to the financial statements

December 31, 2023

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### 4. Credit facility

CPATA has an authorized revolving demand facility with RBC in the amount of \$500,000 (2022 - \$500,000). This facility bears interest at the prime rate plus 2.5% per annum. Interest is payable monthly, in arrears, on the same day each month as determined by RBC. During 2023 CPATA had not drawn any funds (2022 - \$Nil) against the facility and as of December 31, 2023, the balance outstanding was \$Nil (2022 - \$Nil).

Security for the borrowing and all other obligations of CPATA are secured by:

- i. a general security agreement constituting a first ranking security interest in all personal property of the Borrower; and
- ii. an Irrevocable guarantee in the amount of \$1,000,000 signed by His Majesty the King in Right of Canada, as represented by the Minister of Innovation, Science and Industry, supported by an opinion letter.

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### 5. Payables and accruals

	<u>2023</u>	<u>2022</u>
Accounts payable	\$ 101,262	\$ 150,674
Accrued liabilities	19,272	14,859
Credit card payable	1,110	4,234
Committee remuneration payable	72,000	60,000
Agent application deposits	-	283
	<u>\$ 193,644</u>	<u>\$ 230,050</u>

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### 6. Contingent Liabilities

CPATA may be party to claims as both a plaintiff or defendant. CPATA's management believes it has valid defenses and/or liability insurance against all actions currently outstanding against CPATA. Accordingly, no amount has been recorded in the financial statements with respect to the potential losses relating to litigation. A loss, should one occur, will be charged to operations in the year in which such loss is determined.