

September 7th, 2022

DELIVERED BY EMAIL

**Trevor Lunga,**  
Board Chair,  
Supply Chain Canada

Re: Various Concerns of Supply Chain Management Association Ontario (SCMAO)

Dear Trevor,

We write with respect to various issues affecting SCMAO's membership.

First, Supply Chain Management Association Ontario ("SCMAO") is in receipt of invoice 511007 dated April 1, 2022 in the amount of \$775,244.41. As of August, 2022, SCMAO will be holding back monthly payments against this invoice until the National Board confirms how it intends to continue to deliver on its services and commitments as outlined in the Federation Agreement. This information is particularly important to SCMAO's membership since the National Board's leadership team has resigned and, as we are sure you can appreciate, the membership is entitled to understand how the \$775,244.41 will be used.

Second, as you know, the Supply Chain Management Association Federation Agreement, which the various parties entered into on or about March 31, 2015 provides at Schedule D that SCMAO is the "Lead Institute" for SCMP/SMT on-line modules and that Institutes (not the National Association) has the right to "develop and offer" additional professional development opportunities within its jurisdiction. However, contrary to the Supply Chain Management Association Federation Agreement, it has come to our attention that:

- 1) Parties other than SCMAO have been delivering SCMP/SMT on-line modules. We are also aware that the National Board in its dual capacity as national secretariat under the Federation Agreement, has failed to address this matter and prevent the other parties from selling the SCMP/SMT online modules in all jurisdictions including Ontario.
- 2) The National Association has developed and is "delivering" Professional Development courses across the country, including in Ontario, and has in fact proceeded to develop a revenue share model (i.e. received permission from other



institutes, independent of a Federation meeting) with other parties, and excluded Ontario.

SCMAO considers National's actions to be contrary to the Supply Chain Management Association Federation Agreement, and SCMAO reserves its full rights with respect to any damages that it has suffered or will continue to suffer as a result of National's actions.

Third, we are in receipt of invoice 511031 dated July 4, 2022 in the amount of \$798,041.03. We note that the invoice description states: "Assessments for the ON Institute 2022 Fiscal Year Activity May 1, 2021 to April 30, 2022". Despite repeated requests, no support for how the amount of \$798,041.03 for the period May 1, 2021 to April 30, 2022 was arrived at has been provided. Unless and until such support and back up documentation is provided and we are satisfied upon our review of such documentation that these amounts are owing, SCMAO is not a position to pay this invoice 511031.

We welcome a productive conversation on the topics outlined in this letter.  
Sincerely,

**Al-Azhar Khalfan,**  
President, and CEO,  
SCMAO