

Board of Directors Meeting Agenda

March 24, 2025 12:00 pm ET

[Online via Zoom](#)

ITEM	TOPIC	PAGE	ACTION
1. Introductory Matters/Call to Order/ Approval of Agenda/Conflicts of Interest – 12:00 p.m. (R. McHugh, Chair)			
1.1	Call to Order and Introductory Remarks	-	-
1.2	Conflicts of Interest Board members are to declare if they have any conflicts regarding agenda items	-	-
1.3	Approval of Agenda Motion: Be it resolved that the March 24, 2025 Board of Directors Meeting Agenda is adopted.	-	For Approval
2. Approval of Minutes – 12:10 p.m. (R. McHugh, Chair)			
2.1	Motion: Be it resolved that the Minutes of the December 5, 2024 Board meeting are approved. 1. Minutes – 2024-12-05 Board Meeting	5	For Approval
3. Committee Reports – 12:15 p.m. (Various Presenters)			
3.1	Purpose – 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 approval, and to otherwise meet its fiduciary oversight duties, the Board receives regular reports from each Committee. Input – Committee reports (listed below) Output – Board considers reports and recommendations from Committees for information and adoption. Going forward – Ongoing reports from Committees to advance CPATA governance and regulatory initiatives.		

	<p>Committee Reports:</p> <ol style="list-style-type: none"> 1. Investigations Committee (V. Rees, General Counsel, Professional Regulation) 9 2. Discipline Committee (V. Rees, General Counsel, Professional Regulation) 10 3. Registration Committee (J. Slabodkin, Deputy Registrar) 12 4. Governance Committee (T. Conway, Chair, Governance Committee, J. Strawczynski, CEO & Registrar and V. Rees, General Counsel, Professional Regulation) 15 <p>Motion: Be it resolved that the Board:</p> <ol style="list-style-type: none"> i. adopt the updated Regulatory Principles that Guide our Work as found at Appendix A to this report; ii. formally reappoint all committee members whose terms were renewed by agreement in June 2024, for a period of two years until June 2026, as identified in Appendix B to this report; iii. amend the Governance Policies and Undertaking to require each Board Director and Committee member to sign the Undertaking to adhere to the Code of Conduct as soon as possible following appointment/election, and thereafter at the start of any term of reappointment or re-election; iv. rename the “CPATA Directors’ Code of Conduct” in the Governance Policies to “CPATA Code of Conduct” given that it applies to members of the Board and committees as well as staff. <ol style="list-style-type: none"> 5. Audit and Risk Committee (B. Plamondon, Chair, Audit & Risk Committee, S. Walker, CFO, J. Strawczynski, CEO & Registrar) 24 <ul style="list-style-type: none"> 5a: February 28, 2025 Financial Statements 26 5b: Legislative Compliance Memo 33 		<p>For Information and Approval</p>
<p>4. Professional Foundations Competency Profile – 1:15 p.m. (J. Slabodkin, Deputy Registrar)</p>			
<p>4.1</p>	<p>Purpose – To adopt the Professional Foundations Competency Profile for Patent Agents and Trademark Agents. Input – Professional Foundations Competency Profile (for approval) Output – Professional Foundations Competency Profile (as approved) Going forward – The adopted Professional Foundations Competency Profile will be published on CPATA’s website.</p> <p>Motion: Be it resolved that that the Board adopt the Professional Foundations Competency Profile for Patent Agents and Trademark Agents, as presented and recommended by the Registration Committee.</p> <p>Materials: Memo re Professional Foundations Competency Profile Professional Foundations Competency Profile</p>	<p>36 42</p>	<p>For Approval</p>

5. 2024 Audited Financial Statements – 1:45 p.m. (Bob Plamondon, Chair, Audit & Risk Committee, S. Walker, CFO)			
5.1	<p>Purpose – 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>Input – <i>2024 Audited Financial Statements (for approval)</i></p> <p>Output – 2024 Audited Financial Statements (approved)</p> <p>Going forward – The Audited Financial Statements will be published on CPATA’s website.</p> <p>MOTION: Be it resolved the Board approves CPATA’s Audited Financial Statements for the period ending December 31, 2024 as provided in this meeting package;</p> <p>Further, be it resolved the 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.</p> <p>Materials: Memo re 2024 Audited Financial Statements Audited Financial Statements 2024</p>	60 61	For Approval
6. CEO Update – 2:15 p.m. (J. Strawczynski, CEO & Registrar)			
6.1	<p>Purpose – The Board oversees CPATA’s CEO who is responsible for operations. The CEO provides regular updates to the Board so that it can meet its oversight function.</p> <p>Input – <i>CEO Report (for information)</i></p> <p>Output – Alignment re CPATA activities supporting its Strategic Framework and Workplan</p> <p>Going forward – Continued regular reports from the CEO</p> <p>Materials: CEO Report</p>	73	For Information
Other Business			
Other business			
In Camera – 2:30 p.m.			
In camera discussions			

For Information

1. Communications
 - [December Newsletter](#)
 - [January Newsletter](#)
 - [February Newsletter](#)
2. Discipline Committee Policies
 - [Conduct of Digital Proceedings](#) - Revised
 - [Pre-hearing Conferences](#) - Revised

Future meetings – 2025

June 4 & 5/25 -AGM & Board Public meeting (In person-Ottawa)

September 18/25 - Board Public meeting (Virtual)

December 10/25 – Board Public meeting (Virtual)

**Public Board of Directors
Meeting
Held via Zoom
December 5, 2024
12 p.m. ET
Minutes**

BOARD MEMBERS:

Ruth McHugh, Chair
Iris Almeida-Côté
Amber Batool
Karima Bawa
Andrew Currier
Steve Garland
Scott Jolliffe

Regrets: Brigitte Chan and Tom Conway

STAFF:

Juda Strawczynski, CEO and Registrar
Jennifer Slabodkin, Director of Registration and Education,
Deputy Registrar
Victoria Rees, General Counsel, Professional Regulation
Sean Walker, CFO
Andrés Diaz, Director of Operations
Dana Dragomir, Director of Communications
Vicci Sakkas, Administrative Coordinator
Anne-Thiphaine Camus, Administrator – Registration &
Education

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

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

Amber Batool joined the meeting at 12:05 p.m. ET.

The Chair made opening remarks and 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.

No conflicts of interest were declared.

Motion: Be it resolved that the agenda for the December 5, 2025 meeting of CPATA's Board of Directors be adopted.

Moved: Iris Almeida-Côté

Seconded: Scott Jolliffe

Motion carried.

2. **Consent Agenda**

Motion: Be it resolved that the Minutes of the November 7, 2024 Board meeting are approved.

Moved: Karima Bawa

Seconded: Iris Almeida-Côté

Motion carried.

3. **Reports**

Committee Reports

Victoria Rees gave an oral report on the work of the Investigations Committee and the Discipline Committee.

Tom Conway gave an oral report on the work of the Governance Committee.

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

4. **CEO Report: 2024 Highlights and 2025 Activity Plan**

Juda Strawczynski gave an end-of-year presentation on CPATA's 2024 initiatives and progress. The Board inquired about continuing professional development (CPD) as an item for 2024 in the Strategic Framework. Juda Strawczynski clarified that a strategic decision was made to delay policy decisions surrounding CPD, especially due to the ongoing revision of the pathways to licensure.

Juda Strawczynski highlighted key elements of the 2025 Activity Plan. The Board discussed the importance of stakeholder engagement, particularly connecting with the users of Canada's IP system and provincial Innovation groups. It was expressed that CPATA has already begun cultivating these important links, and that these

activities must be carefully managed in order to align with and not distract from CPATA's key mandates.

5. **2025 Budget**

Sean Walker gave an overview of the 2025 Budget. It was reiterated that the initial reserve targets were preliminary and that the Audit and Risk Committee will do deep investigation into the appropriate reserve targets in 2025, and bring a recommendation to the Board.

Motion: Be it resolved the Board approves the 2025 Budget as presented.

Moved: Iris Almeida-Côté

Seconded: Amber Batool

Motion carried.

6. **Updated Governance Policies and Committee Terms of Reference**

Victoria Rees highlighted the major updates to the Governance Policy and Committee Terms of Reference. Dana Dragomir noted that the new Terms of Reference in French had more edits than the English, as they were adjusted in order to include CPATA's inclusive language guidelines.

Motion: Be it resolved the Board approves the revised Governance Policies and Committee Terms of Reference as found in Appendix A of the meeting materials.

Moved: Karima Bawa

Seconded: Scott Jolliffe

Motion carried.

7. **2025 Director Election – Appointment of Election Commissioner**

Motion: Be it resolved that the Board appoints Enrico A. Scichilone as Election Commissioner, effective January 1, 2025, for the 2025 CPATA Director election.

Moved: Amber Batool

Seconded: Steve Garland

Motion carried.

Adjournment

Motion: Be it resolved that the Board adjourn the December 5 meeting.

Moved: Scott Jolliffe

Seconded: Steve Garland

The meeting was adjourned at 2:02 p.m. ET.



Ruth McHugh

Chair of the Board of Directors

Minutes approved on March XX, 2025

Report of the Investigations Committee

TO	CPATA Board of Directors
FROM	Kristin Dangerfield
DATE	March 1, 2025
REPORTING PERIOD	November 2024 – February 2025

Committee Role and Authority

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


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.

Committee Activity

The Committee last met on November 28, 2024. At this meeting, the Committee received preliminary reports relating to two new complaints against two patent agents. For one complaint the Committee directed that a legal opinion be obtained regarding the applicable standard to be applied under the Code. For the second, the Committee directed that an investigator be retained.

With regard to the two licensees who were suspended under s. 37.1(1) last year, these matters continue to be monitored.

The Committee’s meeting scheduled for January 23, 2025 was cancelled due to the timing of preparation of anticipated investigation reports. The Committee next meets on March 20, 2025 and Victoria Rees will provide an oral update to the Board on behalf of the IC.



Kristin Dangerfield

Chair of the Investigations Committee

Report of the Discipline Committee

TO	CPATA Board of Directors
FROM	Marcel Mongeon, Chair
DATE	March 1, 2025
REPORTING PERIOD	December 1, 2024 to March 3, 2025

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 are conducted with the parties via Zoom and concurrently streamed on YouTube for those wishing to observe the proceedings. All decisions of DC panels are published on CPATA's website and on CanLii.

Committee Activities

The Discipline Committee met as a whole on February 3, 2025. At this meeting, the committee met with independent external counsel retained pursuant to the Committee's Terms of Reference, to obtain assistance with drafting new policies relating to Review of Investigations Committee Decisions under s. 37.1(1), and Requests to Admit. The Committee also reviewed and made amendments to the following existing policies:

- Policy on Pre-Hearing Conferences – amended to address disclosure of personal information
- Policy on Conduct of Digital Proceedings – amended to require counsel to provide a panel with both redacted and unredacted copies of all materials and exhibits

Copies of the latter two policies are attached for the Board's information.

The Committee also reviewed and expressed agreement with the draft Policy on Discipline Committee Panel Remuneration and reviewed the Registrar's Memo regarding Refinements to Committee Governance.

Ongoing Proceedings


In the matter of **Mathieu Audet**, the Discipline Panel issued its written decision on January 22, 2025 and the English and French decisions were posted on CPATA's website in mid-February.

In the matter of **Eric Fincham**, the Discipline Panel issued its written decision on the merits of the Notice of Application on December 10, 2024. The penalty hearing is scheduled for April 4, 2025.

There are no other proceedings scheduled at this time.

Committee Membership

With regret, during this period I received a notice of resignation from the Discipline Committee of Ms Jay Sengupta, a valuable member who has served this Committee and CPATA well since its inception in 2022. The DC has now had two members resign in the past year, but with the appointment of three new members in the Fall of 2023, the DC continues to operate with a majority of non-licensees, as required. While there is no urgency to fill these two positions, I ask that the Governance Committee consider new appointments at some point in 2025.



Marcel Mongeon

Chair of the Discipline Committee

Report of the Registration Committee

TO	CPATA Board of Directors
FROM	Mark Pioro, Chair, Registration Committee
DATE	March 24, 2025
REPORTING PERIOD	October 2024 – March 2025

Committee Role and Authority

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

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

Professional Foundations Competency Profile

In 2024, CPATA developed a Professional Foundations Competency Profile to define the professional skills (such as communication, file management, etc.) that complement an agent’s technical knowledge. This Professional Foundations Profile will apply to both patent agents and trademark agents and will be a companion document to the Technical Competency Profiles.

At the December 11, 2024, meeting, the Committee:

- discussed the value of the profile, including how it can be used to attract prospective trainees through non-traditional routes, and that it was worded in a way that allows everyone to see themselves in it;
- noted that the profile may help bridge the gap between trainee applicant skills and job needs; and
- agreed that companion documents to help explain the nuances of the profile and how the competencies apply to the professions would be helpful.

The Committee approved a motion to recommend the profile to the Board for adoption. Please review the 2025-03-24_Memo Professional Foundation Competency Profiles for additional details.

Inaugural Administration of the Skills Examinations

CPATA's vision is to facilitate public access to a globally respected body of patent agents and trademark agents who are highly skilled, ethical, and current in their knowledge. The Committee has been focused on this vision through supporting the multi-year competency initiative.

After developing technical competency profiles which set clear standards for patent agents and trademark agents, CPATA began to review and redevelop the qualifying examinations, relying heavily on input from the professions in the process, to improve defensibility and fairness. The new examinations:

- test against the technical competencies.
- are comprised of the knowledge exams (to assess the patent and trademark-related knowledge concepts specified in the profiles) and the skills exams (to assess the application of skills required for patent agent and trademark agent practice as specified in the profiles).
- are more transparent, fair, and defensible.
- allow CPATA to appropriately assess whether a candidate demonstrates the minimum level of competency required of an entry-level agent.

In 2023, the Committee adopted its policy for how it would set pass marks for the new examinations. The new pass marks (also known as cut scores or passing standards) are based on defensible standard-setting methodologies appropriate for high-stakes professional qualifying examinations.

Following the examinations and a robust standard-setting process, at the January 30, 2025, meeting, the Committee approved the pass marks for each Skills Examination after considering the standard setting report prepared and provided by the psychometric consultant and having a robust discussion. The report:

- provided a process overview, which described the borderline regression methodology and how it was implemented; and
- invited the Committee to consider important information (including an evaluation of the pass mark results, standard error calculation of the pass mark, the reliability calculation, relevant exam-specific considerations, relevant scoring-specific considerations and relevant standard-setting specific considerations).

On February 25, 2025, CPATA released the exam results to candidates. Candidates who have not yet demonstrated competency received a performance report, which provided the following information:

- overall result;
- performance details (approaches the standard, or below the standard);
- performance for each skills area (meets or below); and

- frequently asked questions that were designed to provide clarity on the results.

Candidates who demonstrated competency received a letter confirming that result.

The 2024 Trademark Agent Skills Examination (component A and component B) was administered to 46 candidates over two days on September 18 and 19, 2024. The pass rate was 48% (22/46 candidates demonstrated competency). Candidates must demonstrate competency to complete the qualifying examination requirement.

The 2024 Patent Agent Skills Examination Part 1 was administered to 68 candidates over two days October 28-29, 2024, and Part 2 was administered to 68 candidates over two days October 30-31, 2024.

Part 1 and Part 2 were scored separately. Candidates must demonstrate competency on both Parts 1 and 2 to complete the qualifying examination requirement. Candidates who demonstrate competency on one part but not the other may carry forward the part in which they demonstrated competency to the next administration.

The pass rate on Part 1 was 65% (44/68 candidates demonstrated competency). The pass rate on Part 2 was 46% (31/68 candidates demonstrated competency). The overall pass rate (i.e. passed Parts 1 and 2) was 34% (23/68 candidates demonstrated competency).

The Committee was pleased to see that setting clear standards for the profession allowed candidates to demonstrate their abilities on the Skills Examinations.

The Committee looks forward to its review and approval of the cut-scores for the Winter 2025 Knowledge Examinations at its March 25, 2025 meeting.

Sincerely,



Mark Piore

Chair of the Registration Committee

Report of the Governance Committee

TO	CPATA Board of Directors
FROM	Tom Conway, Chair
DATE	March 4, 2025
REPORTING PERIOD	January – March 2025

Motion

Motion: Be it resolved that the Board:

- (i) **adopt the updated Regulatory Principles that Guide our Work as found at Appendix A to this report;**
- (ii) **formally reappoint all committee members whose terms were renewed by agreement in June 2024, for a period of two years until June 2026, as identified in Appendix B to this report;**
- (iii) **amend the Governance Policies and Undertaking to require each Board Director and Committee member to sign the Undertaking to adhere to the Code of Conduct as soon as possible following appointment/election, and thereafter at the start of any term of reappointment or re-election;**
- (iv) **rename the “CPATA Directors’ Code of Conduct” in the Governance Policies to “CPATA Code of Conduct” given that it applies to members of the Board and committees as well as staff.**

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 Governance Committee held its first meeting of the new year on February 28, 2025. Its business included the following:

1. Workplan

The Committee reviewed its new workplan for 2025 and noted that while it is ambitious it should also be do-able. Several smaller governance matters were addressed at this meeting, and others are already underway. The Committee agreed that as long as the scope is right-sized then the workplan should be manageable.

2. Regulatory Principles that Guide our Work

The Committee continues to evaluate the Board's evidence of good governance and management practices against regulatory principles developed by regulatory expert Harry Cayton. These recommendations are contained in the document titled Regulatory Principles that Guide Our Work.

Recommendation: That the Board adopt the updated Regulatory Principles that Guide our Work as found at Appendix A to this report.

3. Governance Processes – Conflicts Register

This item has been carried over from 2024. Governing with excellence includes understanding the different roles all Board members fulfill within and outside CPATA and being aware of potential risks of conflict of interest. The Board has a shared responsibility for identifying and managing conflicts effectively and transparently. One tool for supporting this process is a Conflicts Register, which represents an internal accountability mechanism and a means to encourage reflection and disclosure. The Register will be a living document and updated as Directors' circumstances change. It will be confidential to the Board and overseen by the Chair of the Board and the CEO.

4. Committee Governance – Committee Terms and Undertakings

i. Committee Terms – reappointment

It was agreed last spring that in June 2024 committee member terms that were expiring would be continued with their consent pending approval of a policy on committee terms of appointment. At the December 2024 meeting, the Board approved the Committee's recommendations respecting committee terms of appointment and amendments to the Committee Terms of Reference. It is now necessary to formalize appointment of committee members whose terms were informally renewed effective June 2024. These appointments will be for two-year terms, ending June 2026. Refer to Appendix B for the chart of current committee members and their reappointment terms.

Recommendation: That the Board formally reappoint all committee members whose terms were renewed by agreement in June 2024, for a period of two years until June 2026, as identified in Appendix B to this report.

ii. Undertaking re Confidentiality and Code of Conduct

Currently, Appendix D of the Governance Policies requires that at the time of appointment/election and reappointment/re-election, Board and Committee members must sign an Undertaking to adhere to the Code of Conduct for Board and Committee Members, and specifically to their duties of confidentiality. However, the Undertaking itself refers to the form being executed annually. After considering governance best practices and the numerous ways the Board and Committee members are made aware of and regularly consider their fiduciary and other duties under the Code, the Governance Committee recommends that the Governance Policies and Appendix D be amended to confirm that the Undertaking must be executed at the time of appointment/election and reappointment/re-election, and not

annually.

Recommendation: That the Governance Policies and Undertaking be amended to require each Board Director and Committee member to sign the Undertaking to adhere to the Code of Conduct as soon as possible following appointment/election, and thereafter at the start of any term of reappointment or re-election.

iii. **Code of Conduct – housekeeping amendment**

Recommendation: The Governance Committee recommends renaming the “CPATA Directors’ Code of Conduct” in the Governance Policies to “CPATA Code of Conduct” given that it applies to members of the Board and committees as well as staff.

5. Board Education Program

Directors participate in professional development programs throughout the year designed to orient, educate and equip them for their governance and regulatory responsibilities. Pursuant to its Terms of Reference, the Governance Committee is responsible for “leading the processes for orientation, evaluation and continuing education of Directors, Committee Chairs and the Chair of the Board” and for recommending “skills development and education for the Board as a whole or for individual directors based on their assigned responsibilities.” The program each year considers the likelihood and timing of newly appointed and elected Directors, and continuing training needs and priorities as identified throughout the previous year by the Board and the Committee. It also considers the previously recorded educational programs already available. The Committee approved a staff plan to develop ongoing board training throughout 2025 that addresses CPATA’s mandate, the role of CPATA Directors, and key topics in governance in the professional regulation context.

6. Board Self-Evaluation

The Governance Committee went in camera to consider the preliminary results of the Board’s first formal self-evaluation, and I will report these results at the in-camera portion of the Board meeting.

Respectfully submitted by



Tom Conway
Chair of the Governance Committee

Regulatory Principles That Guide Our Work as of January 2025

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

CPATA assessments: 2022, May 2023, January 2024, January 2025

<p>1. Be clear about your purpose as a regulator; keep the public interest as your unremitting focus.</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 Regulatory Objectives. Updated Board Governance Policies (2024) and Board self-assessment tools clearly reflect the unrelenting focus on the public interest.</p>
<p>IN PROGRESS:</p> <p>Board self-assessment surveys focus on these principles</p>
<p>2. Set long-term aims and shorter-term objectives</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>3. Agree how to deliver and monitor those aims and objectives</p>
<p>Regular reports presented to Board from CEO and all committees/programs Board and Director self-assessments</p>
<p>IN PROGRESS:</p> <ul style="list-style-type: none"> - Board receives regular reports from the CEO on strategic plan, annual work plan and risk register. - Board receives reports from Committees at each Board meeting following Committee meetings. - Outcomes measurement on core regulatory areas (ex: number of licensees, exam metrics) developed and further metrics being developed so there is reporting on all regulatory work and progress toward achieving the approved objectives.
<p>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</p>
<p>Board adopted a Skills and Attributes Matrix Shared with ISED to assist with Board Appointments; shared with candidates for elected Directors Updated Board Governance Policies (2024) elaborate on role, responsibilities and expectations of the Board and individual Directors.</p>

Regulatory Principles That Guide Our Work as of January 2025

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

CPATA assessments: 2022, May 2023, January 2024, January 2025

<p>IN PROGRESS:</p> <ul style="list-style-type: none">- Board undergoes continuous education in accordance with an education plan 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.
<p>5. Have a code of conduct for board members and enforce it</p>
<p>Revised Board Governance Policies (2024) expand and refine the Code of Conduct based on best practices and experience to date.</p>
<p>IN PROGRESS:</p> <p>CPATA continues to Review Board Governance Policies and will update as needed.</p>
<p>6. Declare conflicts of interest, keep a register of interests, and ensure that decisions are not tainted by partiality or bias</p>
<p>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.</p>
<p>IN PROGRESS:</p> <p>A 'register of conflicts' is being developed (2025) as part of the updated Governance Policies to proactively identify director involvement in other initiatives, as an early warning system to help reduce the risks of conflicts.</p>
<p>7. Behave with respect and courtesy towards board members and others</p>
<p>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. Feedback from agents and public with whom the CEO and staff interact are tracked and, where appropriate, celebrated.</p>
<p>8. Commit to corporate decision-making and to corporate responsibility for decisions made.</p>
<p>CPATA Governance Policies and Board and individual Director Evaluation process facilitate reflective assessment of adherence to these principles.</p>

Regulatory Principles That Guide Our Work as of January 2025

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

CPATA assessments: 2022, May 2023, January 2024, January 2025

9. Appoint a competent CEO and trust them
<ul style="list-style-type: none">- 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.- The Board and Director self-assessments include questions relating to effective, open and trusting working relationships with the CEO.
10. Ask for reports that include what you need to know not everything you might want to know
<p>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.</p>
<p>IN PROGRESS:</p> <ul style="list-style-type: none">- CPATA continues to evolve its reporting. Since 2023, the Board receives reports from Committees at each 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.- 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.
11. Make clear decisions and follow-up on their implementation
<p>Board resolutions are typically circulated in advance and adopted subject to Board revisions. Implementation is reported on by the CEO.</p>
12. Provide the resources needed to deliver your objectives
<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>IN PROGRESS:</p>

Regulatory Principles That Guide Our Work as of January 2025

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

CPATA assessments: 2022, May 2023, January 2024, January 2025

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 financial planning.
The CEO takes steps to retain 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.

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

CPATA Act established independent regulatory decision-making by Registration, Investigation and Discipline Committees, and – 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.

IN PROGRESS:

- An appropriate reporting regime is in place so that regulatory committees provide regular reports to the Board
 - A policy framework and training plan are in place for all regulatory committees to support fair, consistent, high quality and expedient decision-making.
 - Notices of Application and decisions of the Discipline Committee are transparent and published. Discipline proceedings are open to the public.
 - Ethics 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 include a focus and expand on application of public interest factors and principles in all decision making: See [Appendix-A-The-Public-Interest-and-CPATAs-Decision-Making.pdf](#)

Appendix B – Committee Reappointments

Motion

Be it resolved that the Board formally reappoints all committee members whose terms were renewed by agreement in June 2024, for a period of two years until June 2026.

Audit & Risk Committee

Name	Initial Appointment	Date Re-Appointed	Current End Date	Reappointment End Date	Total Years served to June 2026
Bob Plamondon	05/27/2022	N/A	05/2024	06/2026	4
Maureen Rogers	05/27/2022	N/A	05/2024	06/2026	4
Iris Almeida - Côté	01/23/2023	N/A	06/04/2025		3.3
Andrew Currier	06/13/2024*	N/A	06/2025		1

Discipline Committee

Name	Initial Appointment	Date Re-Appointed	Current End Date	Reappointment End Date	Total Years served to June 2026
Marcel Mongeon	12/10/2021	05/27/2022	05/2024	06/2026	4.4
Raj Anand	12/10/2021	05/27/2022	05/2024	06/2026	4.4
Charles Boulakia	12/10/2021	05/27/2022	05/2024	06/2026	4.4
Benoit Yelle	12/10/2021	05/27/2022	05/2024	06/2026	4.4
Jean Whittow	12/10/2021	05/27/2022	05/2024	06/2026	4.4
Guy Joubert	09/22/2023	N/A	01/31/2026		2.7
Susan Boulter	09/22/2023	N/A	01/31/2026		2.7
Sam Lanctin	09/22/2023	N/A	01/31/2026		2.7

Governance Committee

Name	Initial Appointment	Date Re-Appointed	Current End Date	Reappointment End Date	Total Years served to June 2026
Thomas G. Conway	06/28/2021	05/26/2023*	06/04/2025		3
Karima Bawa	06/28/2021	05/2022	05/2024		4.9
Peter Cowan	05/27/2022	N/A	05/2024	06/2026	4
Amber Batool	01/23/2023	N/A	06/04/2025		3.3
Brigitte Chan	09/20/2024*	N/A	06/2025		<1

Investigations Committee

Name	Initial Appointment	Date Re-Appointed	Current End Date	Reappointment End Date	Total Years served to June 2026
Kristin Dangerfield	07/29/2021	05/27/2022	05/2024	06/2026	4.8
Pierre Cantin	10/30/2021	05/27/2022	05/2024	06/2026	4.5
Barb Murchie	07/29/2021	05/27/2022	05/2024	06/2026	4.8
Kiril (Liam) Grigoriev	06/13/2024	N/A	06/2026		2
Len Polsky	06/13/2024	N/A	06/2026		2
Jean-Sebastien Briere	06/13/2024	N/A	06/2026		2
Karol Pawlina	06/13/2024	N/A	06/2026		2
Theresa (Terry) Jaenen	06/13/2024	N/A	06/2026		2

Registration Committee

Name	Initial Appointment	Date Re-Appointed	Current End Date	Reappointment End Date	Total Years served to June 2026
Tina McKay	10/05/2021	05/27/2022	05/2024	06/2026	4.6
Jeffrey Orser*	10/05/2021	05/27/2022	N/A	CIPO rep	4.6
Hilary Rose	10/05/2021	05/27/2022	05/2024	06/2026	4.6
Mark Pioro	10/05/2021	06/13/2024	06/2026		4.6
Heidi Jensen	12/10/2021	05/27/2022	05/2024	06/2026	4.4
Natalie de Paulsen*	09/22/2023	N/A	N/A	CIPO rep	2.7
Alessandro Colonnier	11/07/2024	N/A	06/2026		1.6

*CIPO appointed representatives.

Report of the Audit and Risk Committee

TO	CPATA Board of Directors
FROM	Bob Plamondon
DATE	March 17, 2025
REPORTING PERIOD	December 2024 – March 2025

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 2024, the Committee met on January 27 and March 17, 2025.

At the January 27 meeting, the Committee:

1. Met with the external audit team from Doane Grant Thornton to discuss the audit plan and timing for the audit on the year ended December 31, 2024.
2. Reviewed the Minutes and Action Log from the November 19, 2024, meeting.
3. Reviewed and discussed a memo from Juda Strawczynski on Refinements to Committee Governance and relation to the committee.
4. Reviewed the internal financial statements (December 2024) and supporting information including a comparison to budget and prior forecast for the remainder of the year for 2024. The Committee recommended approval of the financial reports for distribution to the Board.
5. Reviewed and approved the Legislative Compliance memo and Checklist from the CEO & Registrar and CFO for the end of December 2024.
6. Discussed the meeting dates and Macro/meeting Agenda for 2025.

7. Reviewed the Financial Areas Updates memo from the CEO & Registrar and CFO. The memo highlighted areas that have changed for the end of the year compared to the last forecast. Other topics presented included the Board's approval of the budget for 2025.
8. Reviewed the initial draft of the Financial Statements and Notes for the upcoming audit and some changes in presentation for 2024 compared to prior year to provide more information to the reader. There was an in-depth discussion about options for disclosing reserves, which will come to the Board when the audited financial statements are complete.
9. Reviewed and discussed the first draft of the Hearing Panel Remuneration Policy.

At the March 17 meeting, the Committee:

1. Met with the external audit team from Doane Grant Thornton to discuss the audited financial statements and Notes to the statements along with their Report to the "Audit and Risk Committee – Audit strategy and results" for the year ended December 31, 2024. A memo has been provided to the Board on the recommendation of the approval of the statements.
2. Met with the audit team in camera without the CEO and CFO.
3. Reviewed the Minutes and Action Log from the January 27, 2025, meeting.
4. Reviewed the internal financial statements (February 2025) and supporting information.
5. Reviewed and approved the Legislative Compliance memo and Checklist from the CEO & Registrar and CFO for the end of February 2025.
6. Reviewed the Financial Areas Updates memo from the CEO & Registrar and CFO. The memo provided an early update on the licence renewal process and an update on the research towards an updated Financial Reserves Policy.
7. Met with the CFO in camera at the end of meeting.

Upcoming Committee meeting focus

- Review progress on updating the Financial Reserves Policy
- Review the annual insurance policy renewals (D&O, Cyber, Commercial General Liability)
- Review of the Legislative Compliance memo and Checklist from the CEO & Registrar and CFO.
- Review of the most recent internal financial reports as they become available.
- Potential review of any amendments to financial policies.



Robert Plamondon

Chair of the Audit and Risk Committee

Financial Report

College of Patent Agents and Trademark Agents
For the period ended February 28, 2025



Prepared by
Sean Walker, CFO

Prepared on
March 13, 2025

Statement of Financial Position

As of February 28, 2025

	TOTAL	
	AS OF FEB. 28, 2025	AS OF FEB. 29, 2024 (PY)
Assets		
Current Assets		
Cash and Cash Equivalent		
1010 RBC Chequing Account	1,012,458	1,215,442
1500 G.I.C	1,448,318	0
Total Cash and Cash Equivalent	\$2,460,776	\$1,215,442
1400 Prepaid expenses	8,952	7,628
Total Current Assets	\$2,469,729	\$1,223,070
Non-current Assets		
Property, plant and equipment		
1600 Computer Equipment	15,739	11,566
1605 Computer Equipment - Accum Amort	(6,921)	(6,192)
Total Property, plant and equipment	\$8,819	\$5,374
Total Non Current Assets	\$8,819	\$5,374
Total Assets	\$2,478,547	\$1,228,444
Liabilities and Equity		
Liabilities		
Current Liabilities		
Accounts Payable (A/P)		
2000 Accounts Payable (A/P)	36,100	68,709
Total Accounts Payable (A/P)	\$36,100	\$68,709
Credit Card	\$1,517	\$1,983
2010 Accrued Payables	24,075	18,910
2015 Accrued Liabilities - Comm & Reg Remuneration	19,625	90,875
2050 GST/HST Payable (Receivable)	71,079	80,187
2150 Payroll liabilities	20,575	0
Total Current Liabilities	\$172,971	\$260,664
Deferred Revenue		
2200 Deferred Revenue - Payments Received	0	396
2210 Deferred License Fees - Class 1	861,773	762,375
2211 Deferred License Fees - Class 2	(141,079)	5,729
2213 Deferred License Fees - Class 3	8,366	8,767
2214 Deferred License Fees - Class 4	7,558	6,438
2250 Deferred Exam Fees	0	39,900
Total Deferred Revenue	\$736,617	\$823,605
Total Liabilities	\$909,589	\$1,084,268
Net Assets		
Restricted Net Assets	1,725,284	292,298
Excess (Deficit) of Revenues over Expenditures	(156,325)	(148,123)
Total Net Assets	\$1,568,959	\$144,175
Total Liabilities and Equity	\$2,478,547	\$1,228,444

College of Patent Agents and Trademark Agents

Statement of Operations

February 2025

	TOTAL	
	FEB. 2025	JAN - FEB., 2025 (YTD)
REVENUES		
4000 Licence Fee Income		
4010 Licensee fees - Class 1	143,629	143,629
4011 Class 1 Licence Fee Income - PY Adj		1,800
4020 Class 2 Agent Fees	510	510
4030 Class 3 Licence Fees	1,568	1,673
4040 Class 4 Inactive Agent fees	1,444	1,512
Total 4000 Licence Fee Income	147,150	149,123
4050 Skills Exam Fees		
4051 Knowledge Exam Fee	24,990	24,990
Total 4050 Skills Exam Fees	24,990	24,990
4070 Application fee income	6,550	11,422
4060 Certificate & Letters Fees	510	510
Total 4070 Application fee income	7,060	11,932
Total REVENUES	\$179,200	\$186,045
Total Income	\$179,200	\$186,045
EXPENDITURES		
5500 Wages & Benefits	85,142	183,105
6005 Professional and consulting fees		
6030 Legal Fees	24,087	42,125
6060 Translation expenses	3,901	13,733
6210 Consulting - Communications	1,732	3,501
Total 6005 Professional and consulting fees	29,720	59,359
6025 Graphic Design	3,851	6,030
6200 Technology and Systems Expenses		
6270 IT Consultants - Network & General		2,195
6280 IT Consultant - License Systems	7,485	14,725
6290 IT Consultant - Website	1,120	2,316
Total 6200 Technology and Systems Expenses	8,605	19,236
6500 Board & Committee Governance Expenses		
6510 Board - Remuneration	5,000	10,000
6610 Committees - Member Compensation	3,675	10,475
Total 6500 Board & Committee Governance Expenses	8,675	20,475
6700 Registration & Exam Expenses		
6710 Consulting - Admissions	15,000	15,000
6720 Exam Advisory Group - Remuneration	299	299
6730 Exam Software costs	8,324	8,324
Total 6700 Registration & Exam Expenses	23,623	23,623
7010 Bank fees and interest	173	373
7020 Credit Card Processing Fees	20,899	21,569
Total 7010 Bank fees and interest	21,072	21,942

College of Patent Agents and Trademark Agents

Statement of Operations

February 2025

	TOTAL	
	FEB. 2025	JAN - FEB., 2025 (YTD)
7135 Insurance	4,405	8,809
7205 Office Expenses	1,837	6,990
7310 Staff Travel and Training expenses	0	26
8000 Amortization	232	464
Total EXPENDITURES	\$187,162	\$350,061
OTHER INCOME		
4220 Interest earned	3,437	7,690
Total Other Income	\$3,437	\$7,690
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	\$ (4,525)	\$ (156,325)

College of Patent Agents and Trademark Agents

Budget vs. Actuals: Budget_FY25_P&L - FY25 P&L Classes

January - February, 2025

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Income				
4000 Licence Fee Income		0	0	
4010 Licensee fees - Class 1	143,629	150,000	(6,371)	96.00 %
4011 Class 1 Licence Fee Income - PY Adj	1,800		1,800	
4020 Class 2 Agent Fees	510	4,000	(3,490)	13.00 %
4030 Class 3 Licence Fees	1,673	4,000	(2,327)	42.00 %
4040 Class 4 Inactive Agent fees	1,512	2,000	(488)	76.00 %
Total 4000 Licence Fee Income	149,123	160,000	(10,877)	93.00 %
4050 Skills Exam Fees		0	0	
4051 Knowledge Exam Fee	24,990	30,000	(5,010)	83.00 %
4055 Exam re-correction request		1,400	(1,400)	
Total 4050 Skills Exam Fees	24,990	31,400	(6,410)	80.00 %
4070 Application fee income	11,422	8,000	3,422	143.00 %
4060 Certificate & Letters Fees	510	500	10	102.00 %
Total 4070 Application fee income	11,932	8,500	3,432	140.00 %
Total Income	\$186,045	\$199,900	\$ (13,855)	93.00 %
GROSS PROFIT	\$186,045	\$199,900	\$ (13,855)	93.00 %
Expenses				
5500 Wages & Benefits	183,105	179,600	3,505	102.00 %
6005 Professional and consulting fees				
6020 Professional fees - Communications		3,500	(3,500)	
6030 Legal Fees	42,125	64,000	(21,875)	66.00 %
6060 Translation expenses	13,733	14,000	(267)	98.00 %
6210 Consulting - Communications	3,501	6,600	(3,099)	53.00 %
6230 Consulting - Human Resources		4,200	(4,200)	
Total 6005 Professional and consulting fees	59,359	92,300	(32,941)	64.00 %
6025 Graphic Design	6,030	2,000	4,030	302.00 %
6200 Technology and Systems Expenses				
6270 IT Consultants - Network & General	2,195	2,200	(5)	100.00 %
6280 IT Consultant - License Systems	14,725	16,900	(2,175)	87.00 %
6290 IT Consultant - Website	2,316	1,800	516	129.00 %
Total 6200 Technology and Systems Expenses	19,236	20,900	(1,664)	92.00 %
6500 Board & Committee Governance Expenses				
6510 Board - Remuneration	10,000	10,000	0	100.00 %
6610 Committees - Member Compensation	10,475	17,600	(7,125)	60.00 %
Total 6500 Board & Committee Governance Expenses	20,475	27,600	(7,125)	74.00 %
6700 Registration & Exam Expenses				
6710 Consulting - Admissions	15,000	21,000	(6,000)	71.00 %
6720 Exam Advisory Group - Remuneration	299	12,000	(11,701)	2.00 %
6730 Exam Software costs	8,324	10,000	(1,676)	83.00 %
Total 6700 Registration & Exam Expenses	23,623	43,000	(19,377)	55.00 %
7010 Bank fees and interest	373	300	73	124.00 %
7020 Credit Card Processing Fees	21,569	23,000	(1,431)	94.00 %

College of Patent Agents and Trademark Agents

Budget vs. Actuals: Budget_FY25_P&L - FY25 P&L Classes

January - February, 2025

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Total 7010 Bank fees and interest	21,942	23,300	(1,358)	94.00 %
7135 Insurance	8,809	9,300	(491)	95.00 %
7205 Office Expenses	6,990	7,400	(410)	94.00 %
7310 Staff Travel and Training expenses	26	2,400	(2,374)	1.00 %
Total Expenses	\$349,596	\$407,800	\$ (58,204)	86.00 %
NET OPERATING INCOME	\$ (163,551)	\$ (207,900)	\$44,349	79.00 %
Other Income				
4220 Interest earned	7,690	8,000	(310)	96.00 %
Total Other Income	\$7,690	\$8,000	\$ (310)	96.00 %
Other Expenses				
7410 Contingency		16,000	(16,000)	
8000 Amortization	464	600	(136)	77.00 %
Total Other Expenses	\$464	\$16,600	\$ (16,136)	3.00 %
NET OTHER INCOME	\$7,226	\$ (8,600)	\$15,826	(84.00 %)
NET INCOME	\$ (156,325)	\$ (216,500)	\$60,175	72.00 %

Statement of Cash Flows

January - February, 2025

	TOTAL
OPERATING ACTIVITIES	
Net Income	(156,325)
Adjustments to reconcile Net Income to Net Cash provided by operations:	
1400 Prepaid expenses	8,543
1605 Computer Equipment - Accum Amort	464
2000 Accounts Payable (A/P)	(49,417)
2025 RBC Credit Card	(4,807)
2026 RBC Credit Card #8530	50
2015 Accrued Liabilities - Comm & Reg Remuneration	(30,375)
2050 GST/HST Payable (Receivable)	76,266
2060 GST/HST Payable (Receivable):GST/HST Suspense	26,259
2150 Payroll liabilities	12,587
2200 Deferred Revenue - Payments Received	(85)
2210 Deferred License Fees - Class 1	861,773
2211 Deferred License Fees - Class 2	(141,079)
2213 Deferred License Fees - Class 3	8,366
2214 Deferred License Fees - Class 4	7,558
2250 Deferred Exam Fees	(1,071)
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	775,031
Net cash provided by operating activities	\$618,706
NET CASH INCREASE FOR PERIOD	\$618,706
Cash at beginning of period	1,842,071
CASH AT END OF PERIOD	\$2,460,776

Memorandum

TO	Audit & Risk Committee, Board of Directors
FROM	Juda Strawczynski, CEO & Registrar Sean Walker, CFO
DATE	March 17, 2025
SUBJECT	Legislative Compliance memo

This memo is written to the Audit & risk Committee and 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, 2024, was filed with CRA on January 20, 2025 with an expected refund of \$31,446. The filing was amended on January 21st to account for a sizable invoice received the day after the original return was filed. The original amount filed was paid to CPATA on January 30th. The amendment is currently being reviewed by CRA. The next quarter (January to March) is due to be filed by April 30.

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 15th 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 28, 2025.

(T4) Statements of Remuneration Paid were filed with CRA on January 16th. There was a small <\$100 error related to EI premiums on a Board member's payroll and the CFO has responded to a request for information from CRA. Staff and Board members will be notified that T4's are available once the review with CRA is complete.

(RL-1) Employment and Other Income slips were filed with Revenu Quebec on January 16th. The final Summary and payments were submitted on February 27th.

(T4A) Statements of Pension, Retirement, Annuity, and Other Income for 80+ contractors, committee members and Subject Matter Experts are being prepared and will be submitted to CRA and provided to individuals by February 15th.

Annual Federal filing requirements with CRA

CPATA will be required to file a Not-for-Profit Organization (NPO) Information Return (T1044) for 2024 with CRA within 6 months of the year ending December 31, 2024, by June 30, 2025. CPATA is not a taxable entity so income tax will not be required, however, the returns must still be filed. Doane Grant Thornton prepares and mails the return in late April on CPATA's behalf and confirmation will be provided once received from CRA.

Annual Report and Audited Financial Statements

CPATA is currently working on its Annual Report for 2024, which will be delivered to the Minister of Innovation, Science and Industry as required by s. 25 of the CPATA Act by March 31, 2025. We are also required (By-law 30) to publish a report (on website) on Board and Committee expenses paid during the year. This report has been prepared and was published along with the Audited Financial Statements on the CPATA Website before March 31 and was also provided to the Minister.

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 2024, CPATA reported on its activities in two reports were tabled in Parliament by the Minister on our behalf. These reports have been posted on CPATA's [website](#) as well.

We have also filed the Proactive Publication documents on Travel and Hospitality expenses of the Board of Directors and CEO & Registrar. The latest report for January 2025 has been filed.

Official Languages Act

CPATA is of the view that it complies with the *Official Languages Act*.

The Director of Communications, who is also the Champion of Official Languages at CPATA continues to monitor compliance and evaluate any emerging areas. She is an active participant in Communities of Practice set up through the Official Languages Centre of Excellence (OLCE). Staff will receive two trainings on CPATA's Official Languages Act obligations this year, one of which will be a meeting with the OLCE in the spring. This year, CPATA will be required to submit a report to the Centre (a new requirement applicable to all institutions).

We continue to develop our processes to publish Board materials in both official languages in accordance with the deadlines set out in CPATA's By-laws; this has been a challenge for some meetings in the past given tight meeting turnaround times. The 2025 meeting schedule provides for greater turnaround times which should facilitate meeting By-law timelines.

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



Chief Financial Officer

¹ **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 28, 2025**

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

Memorandum

TO	Board
FROM	Mark Pioro, Chair, Registration Committee Jen Slabodkin, Director, Registration & Education, Deputy Registrar
DATE	March 24, 2025
SUBJECT	Competency Initiative – Professional Foundations Competency Profile

Motion

Be it resolved that that the Board adopt the Professional Foundations Competency Profile for Patent Agents and Trademark Agents, as presented and recommended by the Registration Committee.

Background

With the formation of the College, CPATA set out to clearly articulate and implement a comprehensive framework for entry level and continuing competence, including creating the competency profiles for Canadian patent agents and trademark agents, in a valid and defensible way. The creation of such competency profiles is a core aspect of professional regulation. Such profiles help define what makes a patent agent or trademark agent a professional and are a core element of CPATA's efforts to establish the necessary modern regulatory structures appropriate for Canada's patent agent and trademark agent professions. To this end, to create and promote high standards for the ethical and competent delivery of professional services, CPATA developed a competency framework that articulates the technical and professional competencies associated with safe, effective, and sustainable patent agent and trademark agent practices in Canada.

The proposed competency framework for patent agents and trademark agents included three domains: (1) technical patent agent competencies, (2) technical trademark agent competencies, and (3) professional foundations.

With support provided by Principia Assessments Ltd. ("PAL") and subject matter experts (licensed agents), the technical competencies for patent agents (1) and trademark agents (2) were developed and validated in 2022 and adopted by the Board in March 2023. Following a similar process, and with support provided by PAL and subject matter experts (licensed agents), the professional foundations (3) competency profile was developed and validated in 2024. The *Professional Foundations Competency Profile for Patent Agents and Trademark Agents* is now presented to the Board for its consideration and adoption.

Process

Given the transferable nature of professional competencies, multiple professional competency profiles were reviewed and the *21st Century Professional Foundations Competency Profile* from PAL was selected as a starting point for this work. The competencies from that profile were reviewed by a working group of licensees who offered feedback and made revisions.

Key steps to develop, validate, and finalize the proposed professional foundations competencies included:

- Competency profile curation
- Competency review
- Translation and translation review
- Pre-validation review
- Large-scale validation
- Registration Committee review and approval.

Competency Curation & Review

Multiple professional competency profiles were reviewed in both general and related areas. In selecting the starting point profile, we considered a variety of factors including alignment with the professional competencies identified during the technical competency development work. Specifically, the technical competency development work identified some preliminary "universal professional competencies" that a range of professionals (including both Patent and Trademark Agents) are likely to require.

Consideration was also given to whether the professional foundations would benefit from using more law-specific or more general language. While many agents are lawyers, others have a wide range of backgrounds. Those with legal backgrounds may prefer greater resonance with a profile that uses more legally focused language. That said, in keeping with a more expansive and inclusive view of those working in the intellectual property domains, more generally applicable language was favoured.

CPATA recruited patent agents and trademark agents to take part in the competency review process. The goal was to recruit licensees who represented, to the extent feasible, the diversity of Canadian patent and trademark agents, with consideration to those representing groups that had been historically excluded from practice.

CPATA began recruiting for working group members via its October 2023 newsletter, with additional recruitment calls in the November 2023 and December 2023 newsletters. The Intellectual Property Institute of Canada (IPIC) amplified CPATA's recruitment notice.

We ultimately recruited 6 trademark agents and 4 patent agents.

Translation & Review

Given the available resources (human and financial), the competency framework and related documentation were developed first in English and then translated into French. CPATA retained a

professional translation team, Nations Translation Group, to provide translation and linguistic services.

Because the initial development process took place in English, PAL recommended that CPATA recruit an additional group of Francophone patent agents and trademark agents to provide feedback on the bilingual profiles. The translation review group was tasked with ensuring language equivalence and identifying potential French language and cultural issues.

Pre-validation Review

In August, CPATA conducted a pre-validation review, considering feedback from CPATA's Board of Directors, Registration Committee, Investigations Committee, Discipline Committee, Audit & Risk Committee, and Governance Committee.

Large-Scale External Validation

CPATA, with PAL support, conducted two online competency rating surveys September – October 2024. These large-scale surveys of Canadian licensees sought validation evidence on the proposed professional foundations competencies. The purpose of these surveys was to have subject matter experts (licensees in each discipline) evaluate the proposed competencies.

The surveys were developed, translated, and pilot-tested in August 2024. They were launched on September 11, 2024; they remained open until October 10, 2024. The surveys were offered in both French and English, with a multilingual toggle option.

To recruit participants for the survey, CPATA sent an email invitation to licensees and promoted it via a dedicated email on September 4, and in CPATA's newsletter on September 23. The CEO & Registrar and Director, Registration & Education/Deputy Registrar also promoted the survey in a plenary session at IPIC's Annual Conference in St. John's, NL, on September 27, 2024. A general message also appeared in IPIC's September 6 newsletter.

The invitation to complete the validation survey was sent to all licensees (approximately 2180 agents). From this invitation, 211 respondents started the validation survey (an open rate of 9.7%).

The validation surveys solicited perspectives on the criticality¹ (importance and frequency) of the professional competencies required for Canadian patent and trademark agents. The survey results helped confirm the relative criticality of these competencies.

The highest criticality competency area was **Acting professionally**, with "self-managing," "acting ethically," and "serving client interests" all rating among the highest criticality performance criteria.

The next three areas of highest criticality or importance identified were:

¹ **Importance** (How important is this competency for safe and effective practice as a Patent Agent/Trademark Agent?) and **frequency** (How often do you use this competency in your current work as a Patent Agent/Trademark Agent?)

- **Work with information**, with “accessing relevant information,” “constructing meaning,” “evaluating information,” and “managing information” all rating highly
- **Communicate**, with “eliciting information from others,” “expressing ideas,” “communicating as and when needed,” and “customizing communications” all rating highly
- **Solve problems**, with “defining a problem or task,” “generating options,” and “making decisions” all rating highly

Key themes from the qualitative review noted the following:

- **Broad Language:** Several respondents commented on the generality of the competency language used. While the technical competencies are extremely specific to patent or trademark practice, the professional competencies are more universal. The approach of using broadly applicable language to capture these competencies was intentional. The primary reason was to help the language resonate with prospective agents from a wide range of career paths, rather than making the language overly exclusive. This approach also helps to ensure broad application across the diversity of practices in Canada, facilitates the identification of relevant professional development opportunities, and supports futureproofing (given the pace of change).
- **Use:** Several respondents raised comments that relate to the potential use of these competencies and how they may be assessed or enforced. The profile includes a section on purpose (see page 3 of the draft profile) and use (see page 8 of the draft profile). This information should clarify the purpose of the profile and how different end-users may use the profile. There are no formal assessments related to the licensure process associated with this profile planned at this time. However, training supervisors for example, may need to attest that a trainee can, to the degree required by their practice environment, engage in the professional competencies identified with the highest criticality and/or importance (i.e. act professionally, work with information etc.).

The comments were reviewed by registration staff and the Registration Committee prior to finalizing the competency profile. As time and resources allow, we will be considering developing companion guides (one for patent agents and one for trademark agents) to accompany the professional foundations. This work could focus on the highest criticality areas. The materials would help contextualize these high-criticality competencies in practice and highlight specific contexts in which these competencies may be most useful.

Registration Committee Approval

The Registration Committee is responsible for supporting the ethical and competency delivery of patent and trademark services by licensees².

² Terms of Reference https://cpata-cabamc.ca/wp-content/uploads/2023/10/2023-08-02-RegistrationCommittee_Term_of_Reference.pdf

Accordingly, at the December 11, 2024, meeting, the Registration Committee received and reviewed the following materials:

- Draft Proposed Professional Foundations Competency Profile for Patent and Trademark Agents
- PAL Report – Professional Foundations Validation, which included:
 - Background;
 - Development;
 - Translation;
 - Pre-validation review;
 - Large-scale validation;
 - Findings; and
 - Proposed competencies.
- PAL Report – Professional Foundations Supplement, which included:
 - Panelist demographic summaries;
 - Pre-validation survey;
 - Validation surveys (English and French);
 - Qualitative survey responses; and
 - Proposed professional foundations.

In their report, PAL did not propose any changes to the high-level competencies, knowledge concepts or performance criteria. They invited the Registration Committee to consider whether any further actions were needed.

The Registration Committee resolved to approve the draft proposed professional foundations competency profile, as presented, and accepted the recommendation to review the competencies every 5-7 years (or more frequently, if changes in the profession so require).

Purposes

The professional foundations competency profile is intended to help create shared understanding as to what competencies are important for safe, effective, and sustainable practice in the context of patent agent and trademark agent practice. It may be useful to diverse groups for several purposes:

User	Expected uses
CPATA	Set standards for entry to practice Inform development of qualifying assessments Set standards for continuing competence Inform disciplinary proceedings (if competence is at issue)
Prospective agents in training	Understand the competencies (beyond technical competencies and domain-specific knowledge) needed to embark on a successful career

User	Expected uses
	<p>Enable better self-assessment for professional growth</p> <p>Recognize transferable competencies</p>
Educators	<p>Identify learning outcomes</p> <p>Inform curriculum development</p> <p>Develop formative/summative assessments</p>
Training supervisors	<p>Support their trainees</p> <p>Provide feedback and guidance</p>
Current patent agents, trademark agents, and agents in training	<p>Support self-assessment and professional development</p> <p>Recognize transferable competencies</p> <p>Coach and mentor others in the profession</p>
Employers (of patent agents, trademark agents, and agents in training)	<p>Inform recruitment and selection</p> <p>Develop training and development plans</p> <p>Manage performance, compensation, and succession</p>
Others ³	<p>Develop awareness of a profession or area of practice</p> <p>Compare different professions or areas of practice</p>

³ Others may include those in future IP sectors, ISED, other jurisdictions, and members of the public.

College of Patent Agents & Trademark Agents

PROFESSIONAL FOUNDATIONS

2024

COLLEGE OF PATENT AGENTS AND TRADEMARK AGENTS – PROFESSIONAL FOUNDATIONS

This document outlines the professional competencies (knowledge, skills, and attributes) Canadian Patent Agents and Canadian Trademark Agents need to practise safely, effectively, and sustainably.

It includes information about the purpose of these competencies, how they were developed, key competencies, and more detailed competency information.

For more information about the College of Patent Agents and Trademark Agents or its examinations, contact:

College of Patent Agents and Trademark Agents
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About CPATA's Competency Initiative

CPATA's competency initiative is one of the most significant projects undertaken in Canada to modernize, define, and standardize qualifications for patent agents and trademark agents. This ambitious venture provides assurance that the competencies assessed during the training and examination processes are empirically linked to future agents' ability to provide quality services to the public.

The first step in this process was the creation of technical competency profiles, which appear in the College of Patent Agents and Trademark Agents *Technical Competencies* document. The next step in this process was the adoption of the professional competencies found in this document. Together, the technical competencies and professional foundations, along with necessary domain knowledge, capture the knowledge and skills agents need to provide competent IP services to their clients.

The establishment of clear expectations for practitioners will protect the public interest by ensuring that all new and current licensees have the skills necessary to serve their clients in a competent and ethical manner. Together, these profiles represent an important step towards competency-based licensure in the patent agent and trademark agent professions.

This document represents the professional foundations for patent agents and for trademark agents approved by CPATA's Registration Committee in December 2024 and by CPATA's Board of Directors in March 2025.

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Purpose

The College of Patent Agents and Trademark Agents (CPATA) intends its competency framework (comprising both the technical competencies and the professional foundations) to:

- Establish the entry-level competencies for IP assessments, including for entry-to-practice examinations and other parts of the patent agent and trademark agent licensing process
- Guide Canadian patent agents and trademark agents in understanding the competencies associated with safe, effective, and sustainable practice
- Support Canadian patent agents and trademark agents in their self-assessment and ongoing learning, including their identification of priorities for professional development
- Define 'competence' in a manner that guides future regulatory and educational activities
- Inform intellectual property educators about priorities for learning
- Guide employers and training supervisors to develop experiences and practices that support competence training
- Advance CPATA's Regulatory Objective that licensees deliver ethical and competent services

CPATA does not intend for this profile to:

- Include every competency that a patent agent and trademark agent in Canada might need
- Create any obligations or requirements of patent agents and trademarks agents in Canada with respect to any third party

This competency framework and related documentation are intended to be "living documents"; they will evolve and change as the practices of patent agents and trademark agents in Canada evolve and change.

Development

To adopt these competencies, CPATA engaged a wide range of professionals. Key steps in this competency work included:

- **Concept specification.** A concept specification for competency development and a vision for a longer-term assessment regime provided clarity on some key policy decisions.
- **Competency profile curation.** CPATA, with its consultant, reviewed multiple professional competency profiles in general and related areas. CPATA selected the *21st Century Professional Foundations Competency Profile* from Principia Assessments Ltd. as the starting point for its work.
- **Competency review.** Two groups of subject matter experts (professional foundations working groups) reviewed and offered feedback on the draft competencies. The groups met jointly for introductory and closing meetings, separately for 2 two-hour independent sessions each, and completed multiple surveys.
- **Translation and translation review.** A professional translation team translated the draft profile into French. Because the initial development process had taken place in English, CPATA recruited an additional group of Francophone subject matter experts to provide feedback on the bilingual profile.
- **Pre-validation review.** CPATA conducted additional consultation, considering feedback from CPATA's Board of Directors, Registration Committee, Investigations Committee, Discipline Committee, Audit & Risk Committee, and Governance Committee.
- **Large-scale validation.** Under the oversight of a professional competence consultant and a PhD-level psychometrician, CPATA's consultant conducted a large-scale validation survey of the Canadian patent agent and trademark agent professions to gather and analyze criticality evidence.

CPATA is grateful to the contributors to this work, including:

- Principia Assessments Ltd., a social enterprise dedicated to tackling complex challenges in professional competence, for the use of its *21st Century Professional Foundations Competency Profile* as the starting point for its profile.

Note: The *21st Century Professional Foundations Competency Profile* is openly licensed via [CC BY-NC-ND 4.0](#). Principia Assessments Ltd. extended written permission for the adaptation of this profile by the College of Patent Agents and Trademark Agents.

- The Patent Agent Professional Foundations Working Group comprising Jeffrey Astle, Junyi Chen, Philip Swain, and Gavin Zealey.
- The Trademark Agent Professional Foundations Working Group comprising Steven Andrews, Kimberley Baillie, Heather Boyd, Mihaela Dumitrean, Allison Miller, and Sri Dhevi Santhana Dass.
- The Translation Review Group comprising Valmi Dufour-Lussier, Sébastien Lapointe, Béatrice Ngatcha, and Karine Pommier.
- The Board of Directors, Registration Committee, Registration Committee, Investigations Committee, Discipline Committee, Audit & Risk Committee, and Governance Committee members who provided feedback and additional review support.

To complete this work, CPATA was supported by an independent social enterprise (Principia Assessments Ltd.). The project team was led by Jennifer Flynn, with support from Dr. Michaela Geddes and Daniel García.

CPATA also retained a professional translation team, Nations Translation Group, to provide translation and linguistic services.

Overview

Canadian patent agents should possess the requisite Patent Agent (Technical) competencies, the Intellectual Property (IP) Professional Foundations that are critical to their specific context, and necessary domain knowledge. Canadian trademark agents should possess the requisite Trademark Agent (Technical) competencies, the IP Professional Foundations that are critical to their specific context, and necessary domain knowledge.

A. Patent Agent (Technical). A Canadian patent agent can:

- A. Demonstrate foundational knowledge (Patents)
- B. Develop a client-centred patent strategy
- C. Draft a patent application
- D. Prosecute a patent application
- E. Assess validity
- F. Assess infringement

B. Trademark Agent (Technical). A Canadian trademark agent can:

- A. Demonstrate foundational knowledge (Trademarks)
- B. Assess the registrability of a trademark
- C. Develop a client-centred trademark strategy
- D. Prosecute a trademark application
- E. Represent a client before the Trademarks Opposition Board

C. IP Professional Foundations. A Canadian patent agent or trademark agent can, to the degree required by their practice environment:

- A. Act professionally
- B. Learn
- C. Communicate
- D. Work with others
- E. Work with information
- F. Solve problems
- G. Manage work

IP Professional Foundations

Definition

The Intellectual Property (IP) Professional Foundations sets out the more universal professional competencies of patent agents and trademark agents practising in Canada. These IP professional foundations, together with the relevant technical competencies and domain-specific technical knowledge, support patent agents and trademark agents in Canada in practising safely, effectively, and sustainably. For a list of technical competencies, refer to the College of Patent Agents and Trademark Agents *Technical Competencies* document.

Description

Patent agents and trademark agents, like other professionals, should be able to act professionally, learn, communicate, work with others, work with information, solve problems, and manage work.

The degree to which patent agents and trademark agents use these different competencies, and the complexity of the related tasks they perform, will inevitably differ depending on the type of work undertaken, the practice context, the types of clients served, and other factors. Many patent agents and trademark agents will have other competencies that they bring to their practices, not listed here. Nonetheless, all patent agents and trademark agents should demonstrate a level of competence appropriate to their practice context in each of the listed competencies.

For more information about these professional foundations, refer to the following pages. These outline specific behaviours that an individual is expected to engage in to demonstrate their competence in the relevant area (each a “performance criterion”). For each performance criterion, there is also a bulleted list of specific indicators that help define what is meant by competent performance. In addition, various terms that appear in the profile have specific clarifications (denoted by a “soft” underline), which may supply helpful information. Refer to the Glossary for details. Tips for using this profile also appear on the following page.

Using these professional competencies

This document is intended to capture a flexible set of professional competencies that can be adapted to specific contexts. Consider, for any specific practice environment, how important each competency is for safe, effective, and sustainable practice, as well as how often it is used.

Different end-users may find different uses for these competencies. For example:

- **Prospective patent agents or trademark agents** may use this document as a guide to help understand the competencies (beyond technical competencies and domain-specific knowledge) needed to embark on a successful career as a patent agent or trademark agent, enabling them to better self-assess for professional growth.
- **Training supervisors** may use this document to support their trainees, using it as a guide to provide feedback and guidance in high-criticality competency areas.
- **Current patent agents or trademark agents** may refer to this document to self-assess and enhance their own competencies, ensuring they remain effective and up to date in their practice over the long term.
- **Employers of patent agents or trademark agents** may find this document useful in identifying key competencies required for various roles within their organization and to support professional development initiatives.
- **Educators in the IP sector** may choose to integrate high-criticality competencies from this document into their curricula to better prepare learners for careers in intellectual property.

A. Act professionally

Performance criteria

1. Self-manage

- Take responsibility for one's actions and effects
- Reframe challenging situations
- Manage disruptive emotions and impulses
- Adapt to novel situations and challenges
- Persist in pursuing goals despite obstacles
- Work autonomously when needed

2. Act ethically

- Comply with laws and codes of conduct
- Detect ethical issues
- Employ ethical decision-making frameworks
- Support development of ethical infrastructure

3. Serve client interests

- Discover what clients need and expect
- Develop plans with clients to pursue their goals
- Confirm client expectations in recorded form, as appropriate
- Design a quality client experience
- Confirm that work product meets client needs
- Measure the quality of client experience
- Promote access to professional services

4. Foster well-being

- Assess one's level of well-being
- Practise behaviours linked to improved well-being
- Maintain health and safety in work interactions
- Devise responses for common well-being risks
- Mitigate the effects of stress or trauma

B. Learn

Performance criteria

1. Plan for development

- Identify relevant competencies
- Self-assess strengths and areas for development
- Set defined learning goals
- Select beneficial development opportunities
- Overcome obstacles to learning

2. Develop competencies

- Distinguish discomfort from distress
- Seek actionable feedback from reliable sources
- Engage in development opportunities
- Try new ways of doing things
- Engage in deliberate practice

3. Reflect

- Describe an experience under reflection
- Describe a response to an experience
- Assess a response to an experience
- Use insights to plan for future action

4. Integrate learning

- Connect formal education and experience
- Transfer competencies across contexts

C. Communicate

Performance criteria

1. Elicit information from others

- Listen mindfully to others
- Ask open-ended questions
- Seek clarification when needed
- Infer meaning from nonverbal or paraverbal cues

2. Express ideas

- Employ clear, correct, and expressive language
- Present information to enhance understanding
- Supply supporting contextual information
- Use persuasive techniques when needed

3. Communicate as and when needed

- Evaluate stakeholder information needs
- Update stakeholders proactively
- Respond promptly to inquiries and concerns
- Initiate challenging conversations when needed

4. Customize communications

- Adapt style to audience and context
- Choose suitable communication channels
- Tailor messages for cultural, social, or personal factors
- Simplify complex or technical language
- Use sensitive language for complex topics

D. Work with others

Performance criteria

1. Develop interpersonal relationships

- Exhibit thoughtfulness and consideration
- Establish trust with others
- Demonstrate empathy and understanding
- Manage conflict

2. Bridge across difference

- Foster belonging, inclusion, and respect for diversity.
- Seek to learn from different perspectives
- Show sensitivity to diverse cultural norms and customs
- Adapt to others' cultural contexts when needed

3. Work with groups and teams

- Foster a cooperative environment
- Contribute to collective discussions and processes
- Facilitate communication and collaboration
- Mediate group or team disputes
- Show accountability for collective commitments

4. Build a network

- Assess a network for gaps or unmet needs
- Take part in networking activities, as able
- Cultivate diversity within a professional network
- Build reciprocal relationships for mutual benefit
- Engage in communities of interest and of practice
- Nurture professional relationships over time

E. Work with information

Performance criteria

1. Access relevant information

- Specify information needs
- Select information sources
- Select search strategies or methodologies
- Obtain information legally and ethically

2. Construct meaning

- Comprehend the literal meaning of information
- Analyze arguments' logical structures
- Apply interpretive strategies to deepen understanding
- Synthesize insights across multiple sources
- Formulate reasoned, evidence-based inferences

3. Evaluate information

- Specify relevant assessment criteria
- Assess the value of an information source
- Appraise information for relevance and accuracy
- Identify relevant limitations and assumptions
- Draw conclusions about information

4. Manage information

- Direct the information lifecycle
- Employ digital tools for information management
- Adhere to data security and privacy best practices
- Adapt to relevant technological advancements

F. Solve problems

Performance criteria

1. Define a problem or task

- Identify relevant facts, issues, and problems
- Gather information about a problem or task
- Determine a root cause or central focus
- Refine a problem or task statement
- Set timeframes for problem-solving or task completion

2. Generate options

- Generate ideas
- Explore potential solutions or ways forward
- Identify potential improvements or alternatives
- Seek perspectives of others, as appropriate

3. Make decisions

- Apply assessment criteria
- Weigh outcomes considering risks and benefits
- Select an optimal solution or path
- Explain a decision and its rationale
- Deliver results under pressure when needed

4. Evaluate outcomes

- Monitor the effectiveness of a solution or path
- Modify a solution or task, as required
- Reflect on the problem-solving process

G. Manage work

Performance criteria

1. Plan work activities

- Set goals and objectives
- Create detailed action plans
- Prioritize tasks
- Set deadlines
- Plan for potential challenges or obstacles

2. Organize work activities

- Define roles and responsibilities
- Optimize work processes and systems
- Allocate resources and materials
- Maintain documentation

3. Manage others

- Foster a safe and inclusive work environment
- Model desired behaviours and values
- Offer guidance and direction to team members
- Motivate team members

4. Evaluate performance

- Define performance metrics
- Track deadlines
- Assess quality
- Monitor financial performance
- Identify achievements and opportunities
- Provide constructive feedback

Additional areas

There are several behaviours that are not necessarily critical at an individual level, but which are vital for the collective competence and sustainability of the professional community. These include the ability to:

- **Lead strategic initiatives**
 - Analyze trends in the professional context
 - Apply principles of strategic leadership
 - Align people toward a common aim
- **Elevate others**
 - Teach, coach and mentor others
 - Champion others
 - Amplify the voices of others
- **Foster innovation**
 - Think creatively
 - Cultivate a culture of innovation
 - Drive change
- **Champion social responsibility**
 - Connect with communities
 - Advance reconciliation
 - Promote sustainable practices

While these competencies do not form part of the IP Professional Foundations, development in the above areas may be beneficial. Notably, the presence of leadership competence within a professional population helps ensure a well-rounded, forward-thinking, and socially responsible profession.

Glossary

A

Assessment criteria are the standards or requirements used to evaluate performance, outcomes, or success in a particular context. (*Les critères d'évaluation*)

B

Behaviours linked to improved well-being include getting adequate sleep, exercise, mindfulness, meditation, connecting with others, savoring experiences, expressing gratitude, and being kind. (*Les comportements liés à l'amélioration du bien-être*)

Belonging refers to the sense of acceptance and inclusion in a group or community, which leads one to feel valued, respected, and able to be their authentic self. (*L'appartenance*)

C

Client includes an individual, group, or organization external to a firm or other professional service organization, as well as internal teams or colleagues who rely on a professional's services, products, or support to fulfill their objectives. (*Client(e)*)

Coaching refers to personalized guidance and support provided by a coach to help individuals clarify goals, develop skills, and maximize their potential. Coaching focuses on facilitating self-discovery, empowering individuals to find their own solutions, and supporting them in achieving their objectives. (*Encadrement*)

Codes of conduct are authoritative documents that establish ethical standards, professional responsibilities, and expected behaviours within a specific profession or organization. For Canadian patent agents and trademark agents, this includes CPATA's Code of Professional Conduct. (*Les codes de déontologie*)

Cognitive biases are systematic errors in thinking that affect decisions and judgments; these may include confirmation bias, the Dunning-Kruger effect (overestimation of competence by unskilled individuals and underestimation by skilled individuals), and anchoring bias. (*Les biais cognitifs*)

Common well-being risks may vary by profession but may include distress, trauma, vicarious trauma, compassion fatigue, burnout, and repetitive stress injuries. (*Les risques communs pour le bien-être*)

Communication channels are the methods or mediums used to convey information, such as email, social media, or face-to-face conversation. (*Les voies de communication*)

Communities of interest and of practice are groups where individuals come together based on shared interest (e.g., to exchange ideas about a common topic) or professional practice (e.g., to improve within a field through collective learning). (*Les communautés d'intérêt et de pratique*)

Constructive feedback is feedback that is specific, objective, and focused, delivered using a respectful tone, and intended to support growth, development, and positive change. (*Les commentaires constructifs*)

Contextual information may include assumptions, background information, rationale, examples, and evidence to support understanding of the key messaging. (*Les renseignements contextuels*)

Cultural, social, and personal factors refer to variables such as cultural background, social context, and personal attributes (e.g., personality, preferences, disabilities) that influence behaviour, perspectives, and communication needs. (*Les facteurs culturels, sociaux et personnels*)

D

Deliberate practice refers to a structured approach to learning involving targeted efforts to improve specific skills. (*Pratique délibérée*)

Digital tools relevant to professional practice will vary by profession but may include technology that uses digital or electronic components to store, process, and transmit information, including forms of information technology and artificial intelligence (AI). Examples include accounting packages, analytics, communication tools, compliance software, content authoring tools, content management platforms, client relationship management software, decision support systems, document management systems, ecommerce services, incident management software, information security software, knowledge management technologies, large language models, office productivity suites, reminder or diary tools, reporting tools, search applications, statistical analysis packages, and time-tracking tools. (*Les outils numériques*)

Discomfort, in the context of learning, refers to the unease felt when facing new or challenging learning experiences; learning and development is frequently maximized in this “zone of learning” (in contrast being in one’s comfort zone or, alternatively, being in distress, where minimal learning may be taking place). (*Inconfort*)

Diversity refers to the various aspects of human difference, including (but not limited to) racialization, Indigeneity, ethnicity, gender, neurodiversity, sexual orientation, socio-economic status, age, social class, physical abilities or attributes, religious beliefs or ethical values systems, national origin, political beliefs, or other ideologies that contribute to an individual’s intersectionality. (*Diversité*)

E

Equity refers to the fair treatment, access, opportunity, and advancement of all people. (*Équité*)

Ethical infrastructure refers to the system of formal and informal mechanisms (e.g., policies, procedures, codes of conduct, ethical training programs, accountability measures, and organizational culture) that supports and promotes ethical behaviour within an organization. (*Infrastructure éthique*)

H

Health and safety, in the context of work interactions, include occupational or workplace health and safety and extends beyond physical safety to psychological safety, cultural safety, and related concepts of equity, diversity, and inclusion. (*La santé et la sécurité*)

I

Inclusion refers to the act of creating environments in which any individual or group can be and feel welcomed, respected, supported, and valued to fully participate. (*Inclusion*)

Information lifecycle is a concept used to describe the stages through which information passes, typically characterized as creation or collection, storage, use, sharing, archiving, and disposal. (*Le cycle de vie de l'information*)

Interpretive strategies involve building contextual knowledge, asking clarifying questions, challenging assumptions or claims, comparing and contrasting, monitoring for bias, considering multiple perspectives, and applying past knowledge or experience. (*Les stratégies d'interprétation*)

K

Knowledge management is the process of identifying, creating, sharing, and using knowledge and information within an organization or community. It involves various strategies, practices, and technologies that are designed to capture and distribute knowledge, thereby helping individuals and organizations make better use of it. (*La gestion des connaissances*)

L

Learning goals describe what a learner seeks to achieve in terms that are, ideally, specific, measurable, achievable, relevant, and include a timeline for expected results. (*Les objectifs d'apprentissage*)

Listening mindfully refers to being fully present in an interaction, cultivating empathy, and listening to one's own cues. (*L'écoute attentive*)

Logical structures include propositions, premises, conclusions, and the identification of potential logical inconsistencies or fallacies. This encompasses concepts related to deduction, induction, validity, soundness, logical fallacies, and syllogisms. (*Les structures logiques*)

M

Mentoring refers to a supportive relationship where a more experienced individual (a mentor) provides guidance and advice to support the growth and development of a less experienced individual (a mentee). Mentoring involves sharing personal experiences, career guidance, and support. (*Mentorat*)

N

Necessary domain knowledge refers to knowledge of any relevant underlying technology, discipline, or industry that is needed for competent practice, beyond the technical competencies and professional foundations. (*Les connaissances nécessaires du domaine*)

Nonverbal and paraverbal cues include indicators such as body language, tone of voice, and facial expressions that communicate information, recognizing that these cues can vary across cultures and may hold different meanings or significance in different cultural settings. (*Les indices non verbaux et paraverbaux*)

O

Obstacles to learning refer to factors that hinder competency development, such as cognitive biases, distractions (internal and external), the presence of a fixed mindset (the belief that talent and intelligence are static and innate), and other barriers. (*Les obstacles à l'apprentissage*)

P

Persuasive techniques include the principles of influence (e.g., reciprocity, scarcity, authority, consistency, liking, consensus). (*Les techniques de persuasion*)

R

Reconciliation refers to the process of repairing and healing relationships that have been damaged by historical injustices and conflicts, often rooted in colonialism and its enduring effects. It is associated with efforts to address injustices against Indigenous Peoples. (*Réconciliation*)

Relevant competencies include the knowledge, skills, and attributes pertinent to a particular profession or task, especially those that are used frequently or the absence of which introduces risk to a professional practice. (*Les compétences pertinentes*)

Response to an experience includes intellectual, emotional, and behavioural reactions; an assessment of such a response includes analysis of those thoughts, feelings, and behaviours. (*La réponse à une expérience*)

Root cause refers to a fundamental, underlying reason for a problem or issue. By extension, a root cause analysis is a problem-solving method used to pinpoint root cause(s) in order to prevent a problem or issue from recurring. (*La cause principale*)

S

Strategic leadership includes the ability to define a clear and compelling vision, think adaptively to navigate complex challenges, engage stakeholders to build alignment and support, and align people around a common purpose. (*La direction stratégique*)

T

Teaching refers to the facilitation of learning and development by imparting knowledge and skills to learners through various instructional methods. Teaching emphasizes knowledge transfer. (*L'enseignement*)

Memorandum

TO	Board of Directors
FROM	Audit & Risk Committee
DATE	March 24, 2024
SUBJECT	Audited Financial Statements December 31, 2024

MOTION: Be it resolved:

The Board approves CPATA’s Audited Financial Statements for the period ending December 31, 2024 as provided in this meeting package;

Further, be it resolved the 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 Doane Grant Thornton on Monday, March 17th to review the Audited Financial Statements and the Report to the Audit & Risk Committee on the Audit Results.

The Audit resulted in Doane Grant Thornton reporting that the financial statements present fairly, in all material respects, the financial position of CPATA as at December 31, 2024 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, 2024, and recommends the approval of the Financial Statements to the Board of Directors.



Bob Plamondon, FCPA FCA, ICD.D,
Chair of the Audit and Risk Committee

Financial Statements

College of Patent Agents and Trademark
Agents

December 31, 2024

DRAFT

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Independent auditor's report

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To the registrants of the
College of Patent Agents and Trademark Agents

Opinion

We have audited the financial statements of the College of Patent Agents and Trademark Agents ("CPATA"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of College of Patent Agents and Trademark Agents as at December 31, 2024, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Halifax, Canada
TBD

Chartered Professional Accountants

College of Patent Agents and Trademark Agents

Statement of financial position

As at December 31

2024

2023

Assets

Current

Cash and cash equivalents	\$ 1,842,071	\$ 440,537
GST/HST receivable	31,446	28,595
Prepaid expenses	<u>17,496</u>	<u>16,154</u>
	<u>1,891,013</u>	485,286

Capital assets (Note 3)

<u>9,282</u>	5,656
<u>\$ 1,900,295</u>	<u>\$ 490,942</u>

Liabilities

Current

Payables and accruals (Note 5)	<u>\$ 175,011</u>	<u>\$ 198,644</u>
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Net assets

Unrestricted	-	292,298
Internally restricted	<u>1,725,284</u>	<u>-</u>
	<u>1,725,284</u>	<u>292,298</u>
	<u>\$ 1,900,295</u>	<u>\$ 490,942</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	2024	2023
Revenues		
License fees	\$ 3,583,148	\$ 1,996,597
Exam fees	178,557	129,200
Application fees	74,399	67,065
Interest Income	63,000	13,663
Regulatory discipline income	5,000	-
	<u>3,904,104</u>	<u>2,206,525</u>
Expenditures		
Amortization	2,667	2,465
Audit fees	23,990	26,400
Bank and credit card charges	77,694	47,490
Board of directors meetings and travel	36,832	42,194
Board of directors remuneration	104,058	119,758
Committee Remuneration:		
• Audit & Risk committee	15,375	17,175
• Discipline and hearing panel committees	38,875	16,825
• Governance committee	8,050	9,300
• Investigation committee	20,625	11,175
• Registration committee	5,600	15,200
Communication and stakeholder relations	20,439	22,450
Exam software	74,992	39,123
Finance and accounting	75,000	91,350
Human resource and recruitment	8,910	18,590
Information technology and website	31,679	23,473
Insurance	52,264	50,884
Legal fees	327,535	379,909
Licensee system software	83,346	49,281
Office and administration	49,604	41,444
Registration and exam support remuneration	128,389	135,715
Registration and program consulting fees	241,700	135,646
Salaries and benefits	921,406	815,717
Staff travel	29,566	26,440
Translation fees	91,462	81,106
	<u>2,470,058</u>	<u>2,219,110</u>
Excess (deficiency) of revenues over expenditures before Loss on disposal of assets	\$ 1,434,046	\$ (12,585)
Loss on disposal of assets	<u>(1,060)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 1,432,986</u>	<u>\$ (12,585)</u>

See accompanying notes to the consolidated financial statements.

College of Patent Agents and Trademark Agent

Statement of changes in net assets

Year ended December 31

	<u>Unrestricted</u>	<u>Internally restricted</u>	<u>2024 Total</u>	<u>2023 Total</u>
Net assets, beginning of year	\$ 292,298	\$ -	\$ 292,298	\$ 304,883
Excess (deficiency) of revenues over expenditures	1,432,986	-	1,432,986	(12,585)
Interfund transfer	<u>(1,725,284)</u>	<u>1,725,284</u>	<u>-</u>	<u>-</u>
Net assets, end of year	<u>\$ -</u>	<u>\$ 1,725,284</u>	<u>\$ 1,725,284</u>	<u>\$ 292,298</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

2024

2023

Increase (decrease) in cash and cash equivalents

Operating		
Excess (deficiency) of revenues over expenditures	\$ 1,432,986	\$ (12,585)
Amortization	<u>2,667</u>	<u>2,465</u>
	1,435,653	(10,120)
Change in non-cash operating working capital		
Prepaid expenses	(1,342)	12,237
GST/HST receivable/payable	(2,851)	13,695
Payables and accruals	<u>(23,633)</u>	<u>(31,406)</u>
	1,407,827	(15,594)
Investing		
Disposal of capital assets	1,060	1,593
Purchase of capital assets	<u>(7,353)</u>	<u>-</u>
	(6,293)	(1,593)
Net increase (decrease) in cash and cash equivalents	1,401,534	(14,001)
Cash and cash equivalents		
Beginning of year	<u>440,537</u>	<u>454,538</u>
End of year	<u>\$ 1,842,071</u>	<u>\$ 440,537</u>

See accompanying notes to the consolidated financial statements.

College of Patent Agents and Trademark Agents

Notes to the financial statements

December 31, 2024

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.

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"). The significant accounting policies are detailed as follows:

Fund accounting

CPATA's accounts are maintained in accordance with the principles of fund accounting. This method ensures observance of restrictions on the use of CPATA's resources by maintaining separate accounts for each fund.

The following provides a brief description of each fund:

Unrestricted fund

Unrestricted net assets are available for future general use of CPATA.

Internally Restricted Fund

The internally restricted fund consists balances representing an operating reserve, and the professional regulation reserve.

Operating Reserve

CPATA maintains reserves in accordance with a Financial Reserves Policy adopted for the years beginning January 1, 2024. The policy has been factored into the setting of reserves for the 2024 year. The purpose of the Operating Reserve is to fund unexpected decreases in revenue and/or unforeseen and unavoidable costs during the year.

CPATA's policy is to maintain the aggregate of the Operating Reserve Fund at no less (minimum) than three (3) months (\$725,000), and a target of six (6) months (\$1,450,000) of Operating budgeted expenses.

College of Patent Agents and Trademark Agents

Notes to the financial statements

December 31, 2024

2. Summary of significant accounting policies (continued)

Professional Regulation Reserve

As is the case for all professional regulators, CPATA's professional regulatory costs, including investigations, complaints, discipline and unauthorized practice matters are an area of budgetary uncertainty. The costs associated with professional regulation will depend on the number of cases received, as well as their complexity. Investigation, hearing and committee costs can increase significantly when there are complex or high-risk issues that must be addressed in the public interest. The reserve is established to offset costs that materially exceed the overall annual budgeted costs of discipline-related cases.

CPATA's policy is to maintain the aggregate of the Professional Regulation Reserve Fund at a target amount which represents the estimated costs for a very complex (i.e. once in ten year) discipline matter and includes such costs as legal fees, hearing and investigation costs, committee and panel remuneration, translation fees, etc. Currently this target estimate is \$750,000. The College budgets costs for discipline related cases each year. CPATA is planning on reviewing the reserve threshold and best practices to see if adjustments may be required over the next year.

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.

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.

College of Patent Agents and Trademark Agents

Notes to the financial statements

December 31, 2024

2. Summary of significant accounting policies (continued)

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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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.

License 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 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.

3. Capital assets

	<u>2024</u>		<u>2023</u>
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Computer hardware	\$ 15,739	\$ 6,457	\$ 9,282
			\$ 5,656

College of Patent Agents and Trademark Agents

Notes to the financial statements

December 31, 2024

4. Credit facility

CPATA has an authorized revolving demand facility with RBC in the amount of \$500,000 (2023 - \$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 2024 CPATA had not drawn any funds (2023 - \$Nil) against the facility and as of December 31, 2024, the balance outstanding was \$Nil (2023 - \$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.

5. Payables and accruals

	<u>2024</u>	<u>2023</u>
Accounts payable	\$ 85,517	\$ 101,262
Accrued liabilities	24,075	24,272
Credit card payable	6,275	1,110
Committee remuneration payable	50,000	72,000
Payroll liabilities	7,988	-
Agent application deposits	1,156	-
	<u>\$ 175,011</u>	<u>\$ 198,644</u>

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.

7. Comparative figures

Certain comparative figures have been reclassified from those previously presented to conform to the presentation of the 2024 financial statements.

CEO & Registrar’s Report

TO	CPATA Board of Directors
FROM	Juda Strawczynski, CEO & Registrar
DATE	March 1, 2025
REPORTING PERIOD	December 2024 to February 28, 2025

It has been a busy start to the year, and I am pleased to share this update on CPATA’s operations. In addition to supporting the work of CPATA Committees, the team is advancing our 2025 Work Plan in support of CPATA’s Strategic Framework. This quarter’s activities and accomplishments include:

Professional Development and Competency	<ul style="list-style-type: none"> - Working with the Registration Committee and CPATA’s psychometricians and experts to finalize the 2024 trademark agent and patent agent skills exams - Administering the first administration of the Trademark Knowledge Exam of 2025 - Reviewing the findings from CPATA’s 2024 consultation on apprenticeships and considering potential policy areas for Board consideration (later in 2025) and operational options to improve based on evidence
Professional Regulation	<ul style="list-style-type: none"> - Unauthorized practice: Continuing to warn the public about the ongoing trademark and patent phishing scam (for which we have received over 240 complaints) and addressing three additional separate unauthorized practice matters, one of which remains under investigation - Complaints: Staff responded to two new complaints, and continue to support the Investigations Committee with two ongoing matters - Ethics inquiries: Responding to 5 ethics inquiries from licensees topics relating to insurance requirements, conflicts of interest, representing clients with diminished capacity, marketing and GenAI research - Practice supports: Releasing a paper on Generative AI guidance for patent and trademark agents
Operations	<ul style="list-style-type: none"> - Launching the licensee renewal portal, with CPATA’s enhanced annual licensee report and optional demographic survey
Finance and risk	<ul style="list-style-type: none"> - Finalizing 2024 year-end financial reports - Audit 2024 - Applying for CPATA insurance renewals
Outreach and engagement	<ul style="list-style-type: none"> - CEO participation in an ethics and professionalism panel on AI in practice at the Law Society of Ontario’s IP Year in Review conference - Continued regular engagement with ISED, CIPO, IPIC, licensees and other professional regulators