

Board of Directors Public Meeting Agenda

March 24, 2026 12:00 p.m. ET

[Online via Zoom](#)

ITEM	TOPIC	PAGE	ACTION
1. Introductory Matters/Call to Order/ Approval of Agenda/Conflicts of Interest			
1.1	Call to Order (R. McHugh, Chair) – 12:00 p.m. Introductory Remarks	-	-
1.2	Conflicts of Interest (R. McHugh, Chair) – 12:05 p.m. Board members are to declare if they have any conflicts regarding matters on the agenda	-	-
1.3	Approval of Agenda (R. McHugh, Chair) – 12:05 p.m. Board members approve agenda as circulated or as amended if there are any additions or deletions Motion: Be it resolved that the meeting agenda is approved as circulated.	-	For Decision
2. Consent Agenda – (R. McHugh, Chair) – 12:05 p.m.			
	Directors are to indicate if any Items included in the consent agenda below be removed and added to the regular agenda for further discussion. Motion: Be it resolved the (i) Minutes of December 10, 2025; and (ii) motion to set Scott Jolliffe's appointment to the CEO & Registrar's Annual performance and Compensation work until the 2026 Annual General Meeting to be held in June 2027 are approved.		
2.1	Approval of Minutes Minutes – 2025-12-10- Board Meeting	4	For Decision
3. Committee Reports – (Various presenters) – 12:10p.m.			
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)		

For Information

1. Communications

- [December Newsletter](#)
- [January Newsletter](#)
- [February Newsletter](#)

2. Policies

- [Financial Policy No. 3 – Travel and Reimbursement Policy](#)

Public Board of Directors Meeting

Held via Zoom

December 10, 2025

12 p.m. ET

Minutes

BOARD MEMBERS:

Ruth McHugh, Chair

Iris Almeida-Côté

Karima Bawa

Tom Conway

Anne-Abigaïl Fils-Aimé

Steve Garland

Dennis Haszko

Scott Jolliffe

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

Vicci Sakkas, Administrative Coordinator

ABSENT:

Amber Batool

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

The meeting was called to order at 12:00 p.m. ET.

The Chair made opening remarks and acknowledged that CPATA is the federal regulator of patent agents and trademark agents in Canada, the traditional and ancestral territory of many Indigenous Peoples.

On a motion duly moved and seconded, it was resolved that the agenda for the December 10, 2025 meeting of CPATA's Board of Directors be adopted.

2. **Consent Agenda**

On a motion duly moved and seconded, it was resolved that the consent agenda be adopted.

The Chair invited the CEO to provide further information about the consent agenda materials. The CEO presented minor proposed amendments to the minutes and skills matrices within the consent agenda materials.

On a motion moved and seconded, it was resolved that the minutes in the consent agenda are approved subject to the additional note under the Committee Reports section that Marcel Mongeon gave an oral report of the Discipline Committee, and that the skills matrices in the consent agenda are approved subject to further housekeeping amendments regarding committee technology skills as presented.

3. Governance Updates

3.1 Governance Committee Terms of Reference

Tom Conway presented the Governance Committee recommendation that the Board approve updated Governance Committee Terms of Reference.

On a motion duly moved and seconded, it was resolved that that the Board approve the revised Governance Committee Terms of Reference as presented.

3.2 CEO & Registrar's Annual Performance and Compensation Review Working Group – Terms of Reference

Tom Conway presented the Governance Committee recommendation that the Board create a CEO & Registrar's Annual Performance and Compensation Review Working Group.

On a motion duly moved and seconded, it was resolved that the Board approve the creation of a CEO & Registrar's Annual Performance and Compensation Review Working Group and approve its attached Terms of Reference.

Ruth McHugh, Tom Conway and Scott Jolliffe recused themselves from the meeting.

On a motion duly moved and seconded, it was resolved that the Ruth McHugh, Tom Conway, Bob Plamondon and Scott Jolliffe be appointed to the CEO & Registrar's Annual Performance and Compensation Review Working Group.

Ruth McHugh, Tom Conway and Scott Jolliffe returned to the meeting.

3.3 Registration Committee Appointment

The CEO presented the Registration Committee recommendation to make an appointment to the Registration Committee.

On a motion duly moved and seconded, it was resolved that Craig MacMillan be

appointed to the Registration Committee.

4. **2023–2025 Strategic Framework in Review**

The CEO provided an overview of the 2023–2025 Strategic Framework accomplishments.

5. **2026–2028 Strategic Framework**

The CEO provided an overview of the proposed 2026–2028 Strategic Framework. The Chair opened the floor for comments.

On a motion duly moved and seconded, it was resolved that the Board approves the 2026–2028 CPATA Strategic Framework as presented.

6. **Fiscal Responsibility**

6.1 Financial Reserves Policy

The CEO provided an overview of the work of the Audit & Risk Committee to consider CPATA’s reserve needs and the Committee’s recommended amendments to CPATA’s Financial Reserves Policy.

On a motion duly moved and seconded, it was resolved that the Board approves the revised Financial Reserves Policy as presented.

6.2 Budget 2026

The CFO presented the 2026 Budget as recommended by the Audit & Risk Committee.

On a motion duly moved and seconded, it was resolved that the Board approves the 2026 Budget as presented.

7. **Adjournment**

With agreement from all directors the Chair adjourned the meeting at 1:45 p.m. ET.



Ruth McHugh

Chair of the Board of Directors

Minutes approved on March XX, 2026

Report of the Investigations Committee

TO	CPATA Board of Directors
FROM	Kristin Dangerfield
DATE	February 11, 2026
REPORTING PERIOD	December 2025 to February 2026

Committee Role and Authority

s. 37 of the CPATA Act 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 Composition

Section 21 of the CPATA Act and s. 2 of the Regulations require that the Investigations Committee and Discipline Committee each be comprised of a majority of non-licensees. Prior to appointment of each committee, the Board approved Terms of Reference and Skills Matrices setting out the knowledge, skills, experience and attributes required to carry out this work in the public interest. These Skills Matrices were fine-tuned once each committee completed training and began their work and have continued to be fine-tuned by the Governance Committee and Board.

The Investigations Committee began its work in 2021 with five members – 2 licensees and 3 non-licensees, and in 2024 was expanded to nine members – 4 licensees and 5 non-licensees. In 2024 one of the licensee members retired and therefore the total is currently eight. This expansion was based on the volume of work, need for broader demographic representation and to expand the level of licensee experience available to the committee.

Current members for 2024-2026 are:

C. Kristin Dangerfield, Chair – non-licensee, MAN
Jean-Sébastien Brière – patent agent, QUE

Pierre Cantin – patent agent, QUE
Kiril (Liam) Grigoriev – non-licensee, ON
Terry Jaenen – non-licensee, MAN
Barbara Murchie – non-licensee, ON
Karol Pawlina – trademark agent, ON
Len Polsky – non-licensee, AB

Committee Activity

Between December 2025 and February 2026, the Investigations Committee met once on January 22, 2026. The Committee made the following decisions at this meeting:

- i. On the basis of a SME opinion, dismissed a complaint against a patent agent on the basis that the agent owed no duty to the non-client complainant in the circumstances, and the CPATA complaints process is not the appropriate forum for resolution of civil disputes about authorship and copyrights.
- ii. On the basis of the same SME opinion, dismissed a complaint against six patent and trademark agents and one C3 agent in training on the basis that the agents owed no duty to the non-client complainant in the circumstances, and the CPATA complaints process is not the appropriate forum for resolution of civil disputes about co-inventorship.
- iii. Opened a new investigation against a second trademark agent in a national firm where the complainant is alleging conflict of interest, and received an update on the investigation against the original trademark agent.
- iv. Received an update relating to an ongoing investigation against a trademark agent relating to allegations of poor quality of service.
- v. Resolved to obtain a Prosecutorial Viability Opinion for referral of a complaint to the Discipline Committee involving a suspended trademark agent who recently had their license as a lawyer revoked by their law society.
- vi. Received a report from staff confirming that a potential new complaint was resolved without need for referral to the Investigations Committee.

Respectfully submitted by



C. Kristin Dangerfield

Chair of the Investigations Committee

Report of the Registration Committee

TO	CPATA Board of Directors
FROM	Mark Pioro, Chair, Registration Committee
DATE	March 24, 2026
REPORTING PERIOD	December 2025 – March 2026

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.

Committee Composition

Prior to appointment to the Committee, the Board approved the Terms of Reference and the Skills Matrix setting out the knowledge, skills, experience and attributes required to carry out this work in the public interest. The Skills Matrix was fine-tuned once the Committee completed training and began their work and continues to be fine-tuned by the Governance Committee and Board as necessary.

The Terms of Reference set Committee composition of up to seven (7) members, the majority of whom are not licensees and are otherwise qualified to serve under section 3 of the Regulations. Section 3 of the Regulations require that the “Committee administering licensing requirements”, or the “Registration Committee”, as it is referred to, must:

- (a) be composed of individuals who may be removed at pleasure by the Board;
- (b) not include any individual who is a member of an association the primary purpose of which is to represent the interests of persons who provide advice on patents or trademarks;
- (c) include a representative from the Patent Office and the Office of the Registrar of Trademarks;
and
- (d) be subject to a conflict of interest policy established by the Board.

The Registration Committee began its work in 2021 with six (6) members – 2 licensees and 4 non-licensees, and in 2022 was expanded to seven (7) members – 3 licensees and 4 non-licensees.

Current members for 2024–2026 are:

- Mark Piro – Chair – non-licensee, ON
- Alessandro Colonnier – patent agent, trademark agent, ON
- Tina McKay – trademark agent, AB
- Heidi Jensen – trademark agent, ON
- Hilary Rose – non-licensee, AB
- Natalie de Paulsen – CIPO representative, non-licensee, Office of the Registrar of Trademarks, ON
- Craig Macmillan – CIPO representative, non-licensee, Patent Office, ON

2025 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 December 12, 2025, and January 30, 2026, meetings, 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 January 15, 2026, CPATA released the Trademark Agent Skills Examination results, and on February 25, 2026, released the Patent Agent Skills Examination 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 2025 Trademark Agent Skills Examination (component A and component B) was administered to 64 candidates over two days on September 16 and 17, 2025. The pass rate was 30% (19/64 candidates demonstrated competency). Candidates must demonstrate competency to complete the qualifying examination requirement.

The 2025 Patent Agent Skills Examination Part 1 was administered to 67 candidates over two days October 27–28, 2025, and Part 2 was administered to 79 candidates over two days October 29–30, 2025.

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 39% (26/67 candidates demonstrated competency). The pass rate on Part 2 was 42% (33/79 candidates demonstrated competency). The overall pass rate (i.e. passed Parts 1 and 2¹) was 31% (27/87 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 2026 Winter Trademark Knowledge Examination was administered on February 10, 2026, and the 2026 Winter Patent Knowledge Examination was administered on February 24, 2026. The Committee reviewed and approved of the cut-scores for the Winter 2026 Knowledge Examinations at its March 12, 2026, meeting. The results for these exams will be released on April 2, 2026.

Sincerely,



Mark Pioro

Chair of the Registration Committee

¹ The overall pass rate includes writers who passed both parts in 2025 and candidates who passed Part 1 or 2 in 2024 and the other part in 2025.

Report of the Governance Committee

TO	CPATA Board of Directors
FROM	Tom Conway, Chair
DATE	February 13, 2026
REPORTING PERIOD	December 2025– February 2026

Motion

Be it resolved that the Board approve the revised Regulatory Principles that Guide our Work 2026 attached to this report.

Committee Role

The Governance Committee is responsible for providing advice and recommendations to the Board on a variety of governance issues, thereby supporting the Board in operating in accordance with best practices.

Committee Activity

For the period December 2025 to February 2026, the Governance Committee met on January 23. Its business included the following:

Annual Review of Regulatory Principles that Guide our Work

The Governance Committee reviewed and approved to bring to the Board an updated Regulatory Principles that Guide our Work report, which is one tool used by the Committee and the Board to consider regulatory practices and make sure they are appropriately focused on practices that support modern professional regulation in the public interest.

Director and Committee Evaluations: Director and Committee Survey Results

The Chair reported that the survey results indicate a good level of satisfaction with the way the College is being governed and with the Board Chair’s meeting management and support. There were no issues giving rise any concerns.

Committee Appointments and Reappointments

Staff continue to monitor committee composition and status of appointments, as well as ensure CPATA meets its statutory obligations with composition. The committees are in a stable position, although CPATA continues to await government appointments/reappointments. There will to to be one

appointment to the Registration Committee in June, and the recruitment process will commence shortly.

The Committee supports a recommendation from staff that the relevant Committee Chair and GC Chair be invited to participate in recruitment interviews and discuss recommended appointees as an added level of engagement of relevant Committees prior to recommendations to the GC and ultimately to the Board.

Regulatory Governance Trends

The Committee reviewed information on regulatory governance trends from the past year as part of its ongoing consideration of whether shifts in regulatory practices may have any impact on our own processes or structures.

Governance Committee Annual Workplan

The GC Workplan has been updated to reflect a future discussion topic relating to the composition of the Registration Committee.

Respectfully submitted by



Tom Conway
Chair of the Governance Committee

Regulatory Principles That Guide Our Work as of 2026

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

CPATA assessments: 2022, May 2023, January 2024, January 2025, January 2026

1. Be clear about your purpose as a regulator; keep the public interest as your unremitting focus.
Adopted Regulatory Objectives (which as 'living documents' may evolve over time), Standards and Principles to guide all regulatory work. 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.
IN PROGRESS: Board self-assessment surveys focus on these principles
2. Set long-term aims and shorter-term objectives
Long-term – Development of Strategic Framework 2023-2025 completed; new Strategic Framework 2025-2028 approved December 2025 Short-term – Annual Work Plans presented to Board; for 2025-2028, activity plan for strategic plan period to guide CPATA's operations in place of annual plans
3. Agree how to deliver and monitor those aims and objectives
Regular reports presented to Board from CEO and all committees/programs Board and Director self-assessments; Committee self-assessments introduced in 2025
IN PROGRESS: <ul style="list-style-type: none">- Board receives regular reports from the CEO on strategic plan, work plan and risk register.- Board receives reports from Committees at each Board meeting following Committee meetings.- CEO & Registrar's Annual Performance and Compensation Review Working Group established in December 2025 and will regularly report to the Board- 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.

Regulatory Principles That Guide Our Work as of 2026

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

CPATA assessments: 2022, May 2023, January 2024, January 2025, January 2026

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
Board adopted a <u>Skills and Attributes Matrix</u> 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.
IN PROGRESS: <ul style="list-style-type: none">- Board undergoes continuous education to continuously improve on collective and individual competencies.- In addition to competencies for board members, with respect to Committees, skills matrices were developed and updated as needed. Last update December 2025.
5. Have a code of conduct for board members and enforce it
Revised Board Governance Policies (2024) expand and refine the Code of Conduct based on best practices and experience to date.
IN PROGRESS: CPATA continues to Review Board Governance Policies and will update as needed.
6. Declare conflicts of interest, keep a register of interests, and ensure that decisions are not tainted by partiality or bias
<ul style="list-style-type: none">- 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.- A 'register of conflicts' was 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.
IN PROGRESS: The Board continues to review conflicts of interest policies and check for conflicts at meetings and through its register of conflicts to reduce risks.

Regulatory Principles That Guide Our Work as of 2026

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

CPATA assessments: 2022, May 2023, January 2024, January 2025, January 2026

7. Behave with respect and courtesy towards board members and others
Based on Board surveys, Committee and staff engagement, Directors, Committee members and staff are acting at high levels of respect, courtesy and professionalism. The Board Governance Policies expand on expectations in this regard and include a process for addressing concerns or complaints against Directors or Chair. The Board, Director and Committee member self-assessments evaluate in this area. Feedback from agents and public with whom the CEO and staff interact are tracked and, where appropriate, celebrated.
8. Commit to corporate decision-making and to corporate responsibility for decisions made.
CPATA Governance Policies and Board and individual Director and Committee member evaluation processes facilitate reflective assessment of adherence to these principles.
9. Appoint a competent CEO and trust them
<ul style="list-style-type: none">- 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.- Annual performance reviews and clear lines of accountability are in place. The CEO & Registrar's Annual Performance and Compensation Review Working Group established in December 2025 assists the Board in conducting annual performance reviews.
10. Ask for reports that include what you need to know not everything you might want to know
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.
IN PROGRESS: <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.

Regulatory Principles That Guide Our Work as of 2026

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

CPATA assessments: 2022, May 2023, January 2024, January 2025, January 2026

11. Make clear decisions and follow-up on their implementation
Board resolutions are typically circulated in advance and adopted subject to Board revisions. Implementation is reported on by the CEO.
12. Provide the resources needed to deliver your objectives
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. The Board is engaged in multi-year financial planning based on multi-year strategic planning and risk management.
IN PROGRESS: 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: <ul style="list-style-type: none">- An appropriate reporting regime is in place so that regulatory committees provide regular reports to the Board<ul style="list-style-type: none">- 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.

Regulatory Principles That Guide Our Work as of 2026

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

CPATA assessments: 2022, May 2023, January 2024, January 2025, January 2026

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

- 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](#)
- Staff and Board decision-making is based on considering public interest factors, including consideration of CPATA's core mandate and impacts of decisions on the publics CPATA serves.

Report of the Audit and Risk Committee

TO	CPATA Board of Directors
FROM	Bob Plamondon
DATE	March 24, 2026
REPORTING PERIOD	February – March 2026

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 2025, the Committee met on February 4 and March 16, 2026.

At the February 4 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, 2025.
2. Reviewed the Minutes and Action Log from the November 24, 2025, meeting.
3. Reviewed the internal financial statements (December 2025) and supporting information including a comparison to budget and prior forecast for the remainder of the year for 2025. The Committee recommended approval of the financial reports for distribution to the Board.
4. Reviewed and approved the Legislative Compliance memo and Checklist from the CEO & Registrar and CFO for the end of December 2025.
5. Reviewed the meeting dates and Macro/meeting Agenda for 2026.
6. 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.
7. Reviewed the initial draft of the Financial Statements and Notes for the upcoming audit and some minor changes in presentation for 2025 compared to prior year to provide more information to the reader.

8. Reviewed the updated Regulatory and Enterprise Risk Register and heat map. They have been updated since last reviewed in detail in Mid-2025.
9. Reviewed and discussed the first draft of a Procurement policy and support information.
10. Met with the CFO in camera at the end of meeting.

At the March 16 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, 2025. 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 February 4, 2026, meeting.
4. Reviewed the internal financial statements (February 2026) and supporting information including a comparison to budget and prior forecast for the remainder of the year for 2025. 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 February 2026.
6. Reviewed the Financial Areas Updates memo from the CEO & Registrar and CFO. The memo provided an early update on the licence renewal process. Also included was an update on Insurance and Health benefit insurance renewals.
7. Met with the CFO in camera at the end of meeting.

Upcoming Committee meeting focus

- Review the Call for Comments responses and discuss potential plan for licence fees for 2027 (and 2028)
- 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.
- Review of Risk Register and heat map



Robert Plamondon

Chair of the Audit and Risk Committee

Financial Reports

College of Patent Agents and Trademark Agents
For the period ended February 28, 2026



Prepared by
Sean Walker, CFO

Prepared on
March 11, 2026

Statement of Financial Position

As of February 28, 2026

	TOTAL	
	AS OF FEB. 28, 2026	AS OF FEB. 28, 2025 (PY)
Assets		
Current Assets		
Cash and Cash Equivalent		
1011 RBC Chequing	895,795.02	1,012,458.15
1015 RBC Savings Account	31,143.26	
1500 G.I.C	2,870,381.70	1,448,318.13
Total Cash and Cash Equivalent	\$3,797,319.98	\$2,460,776.28
1400 Prepaid expenses	28,344.23	8,952.24
Total Current Assets	\$3,825,664.21	\$2,469,728.52
Non-current Assets		
Property, plant and equipment		
1600 Computer Equipment	15,460.65	15,739.37
1605 Computer Equipment - Accum Amort	(5,809.74)	(6,920.85)
Total Property, plant and equipment	\$9,650.91	\$8,818.52
Total Non Current Assets	\$9,650.91	\$8,818.52
Total Assets	\$3,835,315.12	\$2,478,547.04
Liabilities and Equity		
Liabilities		
Current Liabilities		
Accounts Payable (A/P)	\$30,268.76	\$36,099.70
Credit Card	\$7,151.41	\$1,517.44
2010 Accrued Payables	23,980.00	24,075.00
2015 Accrued Liabilities - Comm & Reg Remuneration	23,825.06	19,625.00
2050 GST/HST Payable (Receivable)	73,430.82	71,079.11
2150 Payroll liabilities	21,312.86	20,574.97
Total Current Liabilities	\$179,968.91	\$172,971.22
Deferred Revenue		
2200 Deferred Revenue - Payments Received	(0.01)	0.01
2210 Deferred License Fees - Class 1	709,174.85	718,143.75
2211 Deferred License Fees - Class 2	3,910.00	2,550.00
2213 Deferred License Fees - Class 3	7,425.54	8,365.62
2214 Deferred License Fees - Class 4	8,793.33	7,557.92
Total Deferred Revenue	\$729,303.71	\$736,617.30
Total Liabilities	\$909,272.62	\$909,588.52
Net Assets		
Internally Restricted Net Assets	3,106,235.97	1,725,283.71
Excess (Deficiency) of Revenues over Expenditures	(180,193.47)	(156,325.19)
Total Net Assets	\$2,926,042.50	\$1,568,958.52
Total Liabilities and Equity	\$3,835,315.12	\$2,478,547.04

Statement of Operations

February 2026

	TOTAL		
	FEB. 2026	FEB. 2025 (PY)	JAN - FEB., 2026 (YTD)
REVENUES			
4000 Licence Fee Income			
4010 Licensee fees - Class 1	140,890	143,629	141,835
4020 Class 2 Agent Fees	782	510	782
4030 Class 3a Licence Fees	856	917	919
4031 Class 3b Licence Fees	547	651	566
4040 Class 4 Inactive Agent fees	1,730	1,444	1,759
Total 4000 Licence Fee Income	144,806	147,150	145,861
4052 Qualifying Exam Fees			
4051 Knowledge Exam Fee	20,440	24,990	20,440
Total 4052 Qualifying Exam Fees	20,440	24,990	20,440
4070 Application fee income	7,015	6,550	11,927
4060 Certificate & Letters Fees	105	510	525
4075 Foreign Practitioner Fees	261		783
Total 4070 Application fee income	7,381	7,060	13,235
Total REVENUES	\$172,627	\$179,200	\$179,536
Total Income	\$172,627	\$179,200	\$179,536
EXPENDITURES			
5500 Wages & Benefits			
5510 Wages	73,973	71,518	155,343
5520 Wages - Benefits	5,682	2,840	11,364
5530 Wages - CPP	4,776	4,485	10,628
5535 Wages - QC QPIP	235	152	395
5540 Wages - EI	1,679	1,636	3,770
5550 RRSP Expenses	4,265	4,147	8,956
5560 Health Services/Labour - QC	420	363	1,486
Total 5500 Wages & Benefits	91,029	85,142	191,941
6005 Professional and consulting fees			
6020 Communications & Marketing fees	1,500		3,000
6025 Graphic Design	2,213	3,851	2,851
6030 Legal Fees	25,233	24,087	36,233
6050 Professional fees - Planning			7,500
6060 Translation expenses	521	3,901	7,049
6210 Consulting - Communications	1,618	1,732	4,415
6230 Consulting - Human Resources			4,584
Total 6005 Professional and consulting fees	31,084	33,571	65,631
6200 Technology and Systems Expenses			
6270 IT Consultants - Network & General	1,098		2,455
6280 IT Consultant - License Systems	8,640	7,485	16,440
6290 IT Consultant - Website	491	1,120	2,431
Total 6200 Technology and Systems Expenses	10,229	8,605	21,326
6500 Board & Committee Governance Expenses			
6501 Board of Directors Travel & Meeting Expenses			

College of Patent Agents and Trademark Agents

Statement of Operations

February 2026

	TOTAL		
	FEB. 2026	FEB. 2025 (PY)	JAN - FEB., 2026 (YTD)
6502 Board - Meeting expenses	0		0
6530 Board - Training	1,063		2,125
Total 6501 Board of Directors Travel & Meeting Expenses	1,063		2,125
6510 Board - Remuneration	6,225	5,000	11,225
6610 Committees - Member Compensation	700	3,675	12,600
Total 6500 Board & Committee Governance Expenses	7,988	8,675	25,950
6700 Registration & Exam Expenses			
6710 Consulting - Admissions		15,000	26,000
6720 Exam Advisory Group - Remuneration	329	299	329
6730 Exam Software costs	3,466	8,324	4,162
Total 6700 Registration & Exam Expenses	3,795	23,623	30,491
7010 Bank fees and interest	17,395	21,072	18,183
7135 Insurance	4,463	4,405	8,927
7205 Office Expenses	3,783	1,837	7,818
7310 Staff Travel and Training expenses	101	0	191
8000 Amortization	253	232	454
Total EXPENDITURES	\$170,120	\$187,162	\$370,912
OTHER INCOME			
4220 Interest earned	5,262	3,437	11,183
Total Other Income	\$5,262	\$3,437	\$11,183
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	\$7,769	\$ (4,525)	\$ (180,193)

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Income				
4000 Licence Fee Income				
4010 Licensee fees - Class 1	141,835	150,000	(8,165)	95.00 %
4020 Class 2 Agent Fees	782	2,500	(1,718)	31.00 %
4030 Class 3a Licence Fees	919	2,500	(1,581)	37.00 %
4031 Class 3b Licence Fees	566		566	
4040 Class 4 Inactive Agent fees	1,759	2,000	(241)	88.00 %
Total 4000 Licence Fee Income	145,861	157,000	(11,139)	93.00 %
4052 Qualifying Exam Fees				
4051 Knowledge Exam Fee	20,440	22,000	(1,560)	93.00 %
Total 4052 Qualifying Exam Fees	20,440	22,000	(1,560)	93.00 %
4070 Application fee income	11,927	12,000	(73)	99.00 %
4060 Certificate & Letters Fees	525	500	25	105.00 %
4075 Foreign Practitioner Fees	783	0	783	
Total 4070 Application fee income	13,235	12,500	735	106.00 %
Total Income	\$179,536	\$191,500	\$ (11,964)	94.00 %
GROSS PROFIT	\$179,536	\$191,500	\$ (11,964)	94.00 %
Expenses				
5500 Wages & Benefits				
5510 Wages	155,343	167,500	(12,157)	93.00 %
5520 Wages - Benefits	11,364	12,000	(636)	95.00 %
5530 Wages - CPP	10,628	10,200	428	104.00 %
5535 Wages - QC QPIP	395	400	(5)	99.00 %
5540 Wages - EI	3,770	3,505	265	108.00 %
5550 RRSP Expenses	8,956	9,500	(544)	94.00 %
5560 Health Services/Labour - QC	1,486	1,000	486	149.00 %
Total 5500 Wages & Benefits	191,941	204,105	(12,164)	94.00 %
6005 Professional and consulting fees				
6020 Communications & Marketing fees	3,000	6,000	(3,000)	50.00 %
6025 Graphic Design	2,851	2,600	251	110.00 %
6030 Legal Fees	36,233	61,600	(25,368)	59.00 %
6050 Professional fees - Planning	7,500	7,500	0	100.00 %
6060 Translation expenses	7,049	20,000	(12,951)	35.00 %
6210 Consulting - Communications	4,415	2,000	2,415	221.00 %
6230 Consulting - Human Resources	4,584	3,400	1,184	135.00 %
Total 6005 Professional and consulting fees	65,631	103,100	(37,469)	64.00 %
6200 Technology and Systems Expenses				
6270 IT Consultants - Network & General	2,455	2,400	55	102.00 %
6280 IT Consultant - License Systems	16,440	18,000	(1,560)	91.00 %
6290 IT Consultant - Website	2,431	2,000	431	122.00 %
Total 6200 Technology and Systems Expenses	21,326	22,400	(1,074)	95.00 %
6500 Board & Committee Governance Expenses				
6501 Board of Directors Travel & Meeting Expenses				

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
6530 Board - Training	2,125	0	2,125	
Total 6501 Board of Directors Travel & Meeting Expenses	2,125	0	2,125	
6510 Board - Remuneration	11,225	10,000	1,225	112.00 %
6610 Committees - Member Compensation	12,600	16,100	(3,500)	78.00 %
Total 6500 Board & Committee Governance Expenses	25,950	26,100	(150)	99.00 %
6700 Registration & Exam Expenses				
6710 Consulting - Admissions	26,000	40,000	(14,000)	65.00 %
6720 Exam Advisory Group - Remuneration	329	15,000	(14,671)	2.00 %
6730 Exam Software costs	4,162	15,000	(10,838)	28.00 %
Total 6700 Registration & Exam Expenses	30,491	70,000	(39,509)	44.00 %
7010 Bank fees and interest	18,183	23,300	(5,117)	78.00 %
7135 Insurance	8,927	9,200	(273)	97.00 %
7205 Office Expenses	7,818	7,000	818	112.00 %
7310 Staff Travel and Training expenses	191	4,000	(3,809)	5.00 %
Total Expenses	\$370,459	\$469,205	\$ (98,746)	79.00 %
NET OPERATING INCOME	\$ (190,922)	\$ (277,705)	\$86,783	69.00 %
Other Income				
4220 Interest earned	11,183	10,000	1,183	112.00 %
Total Other Income	\$11,183	\$10,000	\$1,183	112.00 %
Other Expenses				
7410 Contingency		16,000	(16,000)	
8000 Amortization	454	600	(146)	76.00 %
Total Other Expenses	\$454	\$16,600	\$ (16,146)	3.00 %
NET OTHER INCOME	\$10,729	\$ (6,600)	\$17,329	(163.00 %)
NET INCOME	\$ (180,193)	\$ (284,305)	\$104,112	63.00 %

College of Patent Agents and Trademark Agents

Statement of Operations by Department

January - February, 2026

	ADMINISTRATION & OPERATIONS	BOARD & GOVERNANCE	COMMUNICATIONS & STAKEHOLDER RELATIONS	REGULATIONS - COMPLAINTS	REGULATIONS - REGISTRATION	TOTAL
REVENUES						
4000 Licence Fee Income						\$0
4010 Licensee fees - Class 1	141,835					\$141,835
4020 Class 2 Agent Fees	782					\$782
4030 Class 3a Licence Fees	919					\$919
4031 Class 3b Licence Fees	566					\$566
4040 Class 4 Inactive Agent fees	1,759					\$1,759
Total 4000 Licence Fee Income	145,861					\$145,861
4052 Qualifying Exam Fees						\$0
4051 Knowledge Exam Fee					20,440	\$20,440
Total 4052 Qualifying Exam Fees					20,440	\$20,440
4070 Application fee income	11,927					\$11,927
4060 Certificate & Letters Fees	525					\$525
4075 Foreign Practitioner Fees	783					\$783
Total 4070 Application fee income	13,235					\$13,235
Total REVENUES	\$159,096	\$0	\$0	\$0	\$20,440	\$179,536
Total Income	\$159,096	\$0	\$0	\$0	\$20,440	\$179,536
EXPENDITURES						
5500 Wages & Benefits	191,941					\$191,941
6005 Professional and consulting fees						\$0
6020 Communications & Marketing fees			3,000			\$3,000
6025 Graphic Design			2,851			\$2,851
6030 Legal Fees				36,233		\$36,233
6050 Professional fees - Planning	7,500					\$7,500
6060 Translation expenses			6,123		925	\$7,049
6210 Consulting - Communications			1,406		3,009	\$4,415
6230 Consulting - Human Resources	4,584					\$4,584
Total 6005 Professional and consulting fees	12,084		13,381	36,233	3,935	\$65,631
6200 Technology and Systems Expenses						\$0
6270 IT Consultants - Network & General	2,455					\$2,455
6280 IT Consultant - License Systems	16,440					\$16,440
6290 IT Consultant - Website			2,431			\$2,431
Total 6200 Technology and Systems Expenses	18,895		2,431			\$21,326
6500 Board & Committee Governance Expenses						\$0
6501 Board of Directors Travel & Meeting Expenses						\$0
6502 Board - Meeting expenses		0				\$0
6530 Board - Training		2,125				\$2,125
Total 6501 Board of Directors Travel & Meeting Expenses		2,125				\$2,125
6510 Board - Remuneration		11,225				\$11,225
6610 Committees - Member Compensation		8,225		4,375		\$12,600
Total 6500 Board & Committee Governance Expenses		21,575		4,375		\$25,950
6700 Registration & Exam Expenses						\$0
6710 Consulting - Admissions					26,000	\$26,000
6720 Exam Advisory Group - Remuneration					329	\$329
6730 Exam Software costs					4,162	\$4,162
Total 6700 Registration & Exam Expenses					30,491	\$30,491
7010 Bank fees and interest	18,183					\$18,183
7135 Insurance		8,927				\$8,927
7205 Office Expenses	7,818					\$7,818
7310 Staff Travel and Training expenses	191					\$191
8000 Amortization	454					\$454
Total EXPENDITURES	\$249,566	\$30,502	\$15,812	\$40,608	\$34,425	\$370,912
OTHER INCOME						
4220 Interest earned	11,183					\$11,183
Total Other Income	\$11,183	\$0	\$0	\$0	\$0	\$11,183
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	\$ (79,287)	\$ (30,502)	\$ (15,812)	\$ (40,608)	\$ (13,985)	\$ (180,193)

Statement of Cash Flows

January - February, 2026

	TOTAL
OPERATING ACTIVITIES	
Net Income	(180,193)
Adjustments to reconcile Net Income to Net Cash provided by operations:	
1400 Prepaid expenses	(586)
1605 Computer Equipment - Accum Amort	454
2000 Accounts Payable (A/P)	(25,758)
2025 RBC Credit Card #4816	1,974
2026 RBC Credit Card #8522	789
2015 Accrued Liabilities - Comm & Reg Remuneration	(31,040)
2050 GST/HST Payable (Receivable)	73,431
2060 GST/HST Payable (Receivable):GST/HST Suspense	31,923
2150 Payroll liabilities	9,803
2200 Deferred Revenue - Payments Received	(0)
2210 Deferred License Fees - Class 1	709,175
2211 Deferred License Fees - Class 2	3,910
2213 Deferred License Fees - Class 3	7,426
2214 Deferred License Fees - Class 4	8,793
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	790,293
Net cash provided by operating activities	\$610,100
INVESTING ACTIVITIES	
1600 Computer Equipment	(2,056)
Net cash provided by investing activities	\$ (2,056)
NET CASH INCREASE FOR PERIOD	\$608,044
Cash at beginning of period	3,189,276
CASH AT END OF PERIOD	\$3,797,320

Memorandum

TO	Audit & Risk Committee, Board of Directors
FROM	Juda Strawczynski, CEO & Registrar Sean Walker, CFO
DATE	March 16, 2026
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, 2025, was filed with CRA on January 19, 2026, with a refund of \$31,923 received January 29. The next return for January 1 to March 31, 2026, is due to be filed by April 30, 2026.

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 December 2025. **(1)** In addition, we are currently reviewing a potential issue related to the remittance of income taxes by province for our employees.

(T4) Statements of Remuneration Paid were filed with CRA on February 20th. Staff and Board members Have been notified that T4's are available within the payroll system.

(RL-1) Employment and Other Income slips were filed with Revenu Quebec on February 20th. The final Summary and payments were submitted on February 17th.

(T4A) Statements of Pension, Retirement, Annuity, and Other Income for 50+ contractors, committee members and Subject Matter Experts have been submitted to CRA and provided to individuals on February 9th.

Annual Federal filing requirements with CRA

CPATA is 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, 2025, by June 30, 2026. CPATA is not a taxable entity so income tax will not be required, however, the returns must still be filed.

Annual Report and Audited Financial Statements

CPATA is working on its Annual Report for 2025, which will be delivered to the Minister of Innovation, Science and Industry as required by s. 25 of the CPATA Act by March 31, 2026. We are also required (By-law 30) to publish a report (on website) on Board and Committee remuneration paid during the year.

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 2025, CPATA reported on its activities in two reports which were provided to the government at the end of August to be tabled in Parliament. These reports were tabled on October 2nd, 2025 and were posted on CPATA's website after tabling. We have noted in our Access to Information Annual Report that we have reported all the required information but have been late filing some of the reports over the past year due to developing administrative processes and understanding reporting requirements. We now have the process ready and will ensure that the reports are submitted before the deadline, i.e. within 30 days after the month of reimbursement.

We have filed the Proactive Publication documents on Travel and Hospitality expenses of the Board of Directors and CEO & Registrar. The latest report for January 2026 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 (OCLE). Staff received two training sessions on CPATA's Official Languages Act obligations in 2025. CPATA submitted its statistical report on workforce data to the government by the May 31, 2025 deadline (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.

Acknowledgement of Compliance

By signing below, Juda Strawczynski, CEO & Registrar and Sean Walker, CFO 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, 2026**

	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 (1)
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) <ul style="list-style-type: none"> Report and remit QPIP 	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
10.	Access to Information Act <ul style="list-style-type: none"> CPATA annual reporting to government by September Proactive Publication to be reported within 30 days of previous month-end 	Yes
11.	Privacy Act <ul style="list-style-type: none"> CPATA annual reporting to government by September 	Yes

(1) We are currently reviewing a potential issue related to the remittance of income taxes by province for our employees.

Memorandum

TO	Board of Directors
FROM	Audit & Risk Committee
DATE	March 24, 2026
SUBJECT	Audited Financial Statements December 31, 2025

MOTION: Be it resolved:

The Board approves CPATA’s Audited Financial Statements for the period ending December 31, 2025 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 16th 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, 2025 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, 2025, 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, 2025

DRAFT

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Independent auditor's report

Doane Grant Thornton LLP
Nova Centre, North Tower
Suite 1000, 1675 Grafton Street
Halifax, NS
B3J 0E9
T +1 902 421 1734
F +1 902 420 1068
www.DoaneGrantThornton.ca

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, 2025, 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, 2025, 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
DATE

Chartered Professional Accountants

College of Patent Agents and Trademark Agents

Statement of financial position

As at December 31

2025

2024

Assets

Current

Cash and cash equivalents	\$ 3,189,276	\$ 1,842,071
GST/HST receivable	31,923	31,446
Prepaid expenses	<u>27,758</u>	<u>17,496</u>
	3,248,957	1,891,013

Capital assets (Note 3)

8,049	<u>9,282</u>
<u>\$ 3,257,006</u>	<u>\$ 1,900,295</u>

Liabilities

Current

Payables and accruals (Note 5)	<u>\$ 150,770</u>	<u>\$ 175,011</u>
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Net assets

Internally restricted	<u>3,106,236</u>	<u>1,725,284</u>
	<u>\$ 3,257,006</u>	<u>\$ 1,900,295</u>

Credit facility (Note 4)

Contingent liabilities (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

2025

2024

Revenues

License fees	\$ 3,583,428	\$ 3,583,148
Exam fees	194,565	178,557
Application fees	67,269	74,399
Interest Income	88,616	63,000
Regulatory discipline income	5,000	5,000
	<u>3,938,878</u>	<u>3,904,104</u>

Expenditures

Amortization	2,921	2,667
Audit fees	24,430	23,990
Bank and credit card charges	75,706	77,694
Board of directors meetings and travel	75,216	36,832
Board of directors remuneration	115,825	104,058
Committee Remuneration:		
• Audit & Risk committee	21,325	15,375
• Discipline and hearing panel committees	25,325	38,875
• Governance committee	9,800	8,050
• Investigation committee	23,800	20,625
• Registration committee	14,350	5,600
Communication and stakeholder relations	57,895	20,439
Exam software	56,711	74,992
Finance and accounting	-	75,000
Human resource and recruitment	9,680	8,910
Information technology and website	24,919	31,679
Insurance	53,319	52,264
Legal fees	284,152	327,535
Licensee system software	95,718	83,346
Office and administration	45,410	49,604
Registration and exam support remuneration	86,464	128,389
Registration and program consulting fees	188,250	241,700
Salaries and benefits	1,098,078	921,406
Staff travel	27,494	29,566
Translation fees	139,407	91,462
	<u>2,556,195</u>	<u>2,470,058</u>

Excess of revenues over expenditures before Loss on disposal of assets	\$ 1,382,683	\$ 1,434,046
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Loss on disposal of assets	<u>(1,731)</u>	<u>(1,060)</u>
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Excess of revenues over expenditures	<u>\$ 1,380,952</u>	<u>\$ 1,432,986</u>
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See accompanying notes to the 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>2025 Total</u>	<u>2024 Total</u>
Net assets, beginning of year	\$ -	\$ 1,725,284	\$ 1,725,284	\$ 292,298
Excess of revenues over expenditures	1,380,952	-	1,380,952	1,432,986
Interfund transfer	<u>(1,380,952)</u>	<u>1,380,952</u>	<u>-</u>	<u>-</u>
Net assets, end of year	<u>\$ -</u>	<u>\$ 3,106,236</u>	<u>\$ 3,106,236</u>	<u>\$ 1,725,284</u>

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See accompanying notes to the financial statements.

College of Patent Agents and Trademark Agents

Statement of cash flows

Year ended December 31	2025	2024
Increase (decrease) in cash and cash equivalents		
Operating		
Excess of revenues over expenditures	\$ 1,380,952	\$ 1,432,986
Amortization	<u>2,921</u>	<u>2,667</u>
	1,383,873	1,435,653
Change in non-cash operating working capital		
Prepaid expenses	(10,262)	(1,342)
GST/HST receivable/payable	(477)	(2,851)
Payables and accruals	<u>(24,241)</u>	<u>(23,633)</u>
	1,348,893	1,407,827
Investing		
Disposal of capital assets	1,731	1,060
Purchase of capital assets	<u>(3,419)</u>	<u>(7,353)</u>
	(1,688)	(6,293)
Net increase in cash and cash equivalents	1,347,205	1,401,534
Cash and cash equivalents		
Beginning of year	<u>1,842,071</u>	<u>440,537</u>
End of year	<u>\$ 3,189,276</u>	<u>\$ 1,842,071</u>

See accompanying notes to the financial statements.

College of Patent Agents and Trademark Agents

Notes to the financial statements

December 31, 2025

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 of 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 and amended as of December 10, 2025. The policy has been factored into the setting of reserves for the 2025 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 six (6) months (\$1,500,000 - 2025) of Operating budgeted expenses.

College of Patent Agents and Trademark Agents

Notes to the financial statements

December 31, 2025

2. Summary of significant accounting policies (continued)

Professional Regulation, Unauthorized Practice and Litigation 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, Unauthorized Practice and Litigation Reserve Fund at a target amount which represents the estimated costs for multiple major matters at a time and includes such costs as legal fees, hearing and investigation costs, committee and panel remuneration, translation fees, etc. Currently this target estimate is \$2,000,000 (2024 - \$750,000). The College budgets costs for discipline related cases each 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, 2025

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.

Application fees are recognized as revenue over the period in which the application is received.

Interest income is recognized on an accrual basis.

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>2025</u>	<u>2024</u>
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer hardware	\$ 13,405	\$ 5,356	\$ 8,049	\$ 9,282

College of Patent Agents and Trademark Agents

Notes to the financial statements

December 31, 2025

4. Credit facility

CPATA has an authorized revolving demand facility with RBC in the amount of \$500,000 (2024 - \$500,000). This facility bears interest at the prime rate plus 2.5% per annum. Interest is payable monthly, in areas, on the same day each month as determined by RBC. During 2025 CPATA had not drawn any funds (2024 - \$Nil) against the facility and as of December 31, 2025, the balance outstanding was \$Nil (2024 - \$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

5. Payables and accruals

	<u>2025</u>	<u>2024</u>
Accounts payable	\$ 56,026	\$ 85,517
Accrued liabilities	23,980	24,075
Credit card payable	4,389	6,275
Committee remuneration payable	54,865	50,000
Payroll liabilities	11,510	7,988
Agent application deposits	-	1,156
	<u>\$ 150,770</u>	<u>\$ 175,011</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.