The Validation Paradox

How Corporate Registry Staleness Creates a KYC Temporal Void and Compromises Client Validation Under Canada's 2026 PCMLTFA Effectiveness Standard

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DISCLOSURE

This report was prepared by Lionel J. Perez, BA, JD, LL.L, CEO of CorpCentre, which provides corporate compliance services to Canadian businesses. Its findings bear on the market in which the firm operates. Every figure is computed from publicly available data, and the method is set out in Appendix A in sufficient detail for any reader to reproduce the analysis independently or to challenge it. Readers are invited to do both. This report does not allege wrongdoing by anyone: the conditions it measures are administrative states recorded by the corporations themselves, and the claims concern the design and reliability of the public record, not the conduct of any corporation.

Abstract

Canada's corporate information architecture permits corporate reality and public registry information to diverge without guaranteeing that the divergence will be identified or corrected. This report measures that condition at population scale: roughly one active corporation in five, across the federal and Quebec populations measured, has stopped supplying the annual filing signal from which record currency can be inferred; in the federal data, persistent non-filers overwhelmingly proceed to administrative dissolution without ever restoring that signal; and the federal registry's warning flag reports enforcement activity, not record reliability; and the federal and Quebec registers disagree with each other about the existence of 6,822 corporations in one direction and 5,897 in the other. Within the resulting KYC Temporal Void, **validation against an authoritative public source may establish consistency between records without establishing consistency with corporate reality — the Validation Paradox**. The October 2025 beneficial-ownership discrepancy regime makes the interaction between the links of this information chain an express feature of ongoing monitoring in prescribed circumstances, and the March 2026 addition of PCMLTFA s. 9.6(1.1) makes the practical effectiveness of a reporting entity's compliance programme independently consequential. The conclusion is structural: **responsibility for the condition of upstream corporate information and responsibility for the effectiveness of downstream validation do not necessarily rest with the same actor.** Eleven recommendations follow, addressed to the four parties able to close the gap: registries should expose the currency of their records, corporations should affirm it, institutions should test it, and the regulator should state what a registry check establishes.

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Executive summary

The paradox at the centre of the report. The regulatory design points reporting entities at the public register in prescribed circumstances: beneficial ownership information must be confirmed for accuracy both during onboarding and ongoing monitoring, and for high-risk CBCA clients the register is the consultation source the Regulations themselves prescribe. The measured condition of that register does not establish that it is generally inaccurate — roughly four in five active corporations are not in filing default. What it establishes is narrower and worse for a control designer: **a clean registry result cannot, without more, be treated as evidence that the underlying information is current, because the register provides no signal by which the current subset can be distinguished from the stale one.** Its only warning flag reports enforcement activity, not record reliability.

The exposure for the resulting verification failures does not rest on the corporations whose non-compliance contributed to the condition. Their sanction is administrative and eventual. The reporting entity's duties —

to confirm, to keep current, to maintain an effective programme — operate on the degraded input in the meantime, under an effectiveness standard in force since March 2026. The failure typically originates with the customer; the condition accumulates in the register; the examination lands on the bank. Where no public transmission channel exists at all, as with significant-control data in Ontario, British Columbia and Alberta, the condition originates in the architecture itself, and no actor's diligence produces a register worth consulting.

Findings. Four findings, each a measured fact carrying its scope qualifier; the sections that follow elaborate each.

F1 — The signal has stopped for one corporation in five. 20.02% of active federal corporations with a return due are in annual-return default; Quebec corporations 18.20% (19.44% across all enterprise forms). The defaulting population is not confined to shells: in the only register carrying employment data, the 1-to-5 employee band defaults highest, at 20.59% (Quebec only).

F2 — Cure comes early or not at all. Cure concentrates in the first year of default. Among corporations that neither resumed filing nor took an orderly exit, 85.1% of the 2023 last-filing cohort had been struck off by the extract date — roughly two years into default, three years past the last return — rising to between 93% and 97% in older cohorts. Counting every disposition, strike-off accounts for 57.9% of that full cohort, the largest single outcome. Section 4 sets out the cohort table and the construction.

F3 — The register will not tell you. Its warning flag reports enforcement activity, not record reliability — 4.9% flagged across the 3-to-20-year bands — and the filing history a predictive model would need is unavailable at population scale in either bulk product.

F4 — The registers do not agree with each other. 6,822 corporations dissolved federally remain registered in Quebec — 5.83% of the CBCA-regime registrants there — and the converse also holds: 5,897 corporations Active federally are struck off there, nearly half of them current on their federal filings. The divergence survives dissolution itself, and runs in both directions (lower bounds; Quebec only).

The KYC temporal void, the registry reliability signal and the validation paradox are defined concepts, and the application of s. 9.6(1.1) is legal interpretation — none is numbered as a finding, and each is graded on its own terms in Appendix E.

The finding that governs control design. The filing history an early-warning model would need is not available at population scale. The federal bulk extract records a single field — the year of the last annual filing — and the Quebec bulk extract a single deposit date, overwritten at each filing. Quebec's registry does display each enterprise's document index — its filing history — but record by record through the public interface, not in the machine-readable bulk product. A reporting entity cannot build a predictive filing-behaviour model across a book of clients from these data: not because the behaviour is unpredictable, but because the sequence, where it exists at all, is not accessible at scale. And where a control validates against the register alone, increasing its frequency cannot surface a change the register has not received. Scheduling frequency is therefore not a solution to this information gap — though it does not follow that no control could detect the change by other means.

What happens after default is now measured. Among corporations that neither resumed filing nor took an orderly exit — voluntary dissolution, amalgamation or discontinuance — 85.1% had been struck off by roughly two years into default — three years past their last annual return — and between 93% and 97% had been struck off in older last-filing cohorts, measured as at the extract date; counting every exit, administrative strike-off remains the largest single disposition, at 57.9% of the full 2023 cohort. The opportunity to cure is concentrated in the first year and has substantially closed by the second. A reporting entity holding a client two years into default is therefore not being told what will probably happen; it is being told what has, in most comparable cases, already happened.

What the register signals is not what a bank needs to know. The warning flag applied to defaulting corporations reports whether the registrar is currently moving to dissolve the entity, not whether the record is current. Across the 11,115 corporations three to twenty years past their last filing and still displayed as Active — the deepest reliability risk in the register — the flag is applied to **4.9%**, with individual bands ranging from 3.2% to 11.1%.

Recommendations — completing the architecture. The findings do not argue for abandoning registry validation; they argue for completing the architecture around it, and Section 11 sets out eleven recommendations addressed to the four parties that hold the information and the leverage. Registries should expose currency: put a currency status on the face of the record beside the status word (11.1), enable event-driven monitoring of prescribed events (11.2), and resume publishing their own performance statistics (11.3). Corporations should affirm it, through the banking relationship: a continuing obligation to remain current and to confirm annually that the information the institution holds is accurate (11.4), and use of the first-year cure window that the cohort data identify (11.5). Institutions should test it: monitor existence and filing currency as ongoing attributes (11.6), escalate by the observed condition of the record rather than by the calendar (11.7), record two dates — when the register was checked and when the underlying information was last affirmed (11.8) — and take a documented position on the second public register as a confirmation source (11.9). The regulator should complete the framework: make prescribed consultation jurisdiction-neutral wherever a constituting jurisdiction publishes significant-control information (11.10), and state what a registry match establishes when the prescribed source cannot itself establish currency (11.11). None requires legislation except where stated, and none assumes how far institutions already employ similar controls. The register exposes currency; the corporation affirms it; the institution tests it; the regulator defines what the test establishes.

Defined terms

The KYC temporal void. The period during which a material change in corporate reality has occurred but has not been incorporated into the authoritative public record, creating a divergence between corporate reality, registry information, and the information maintained by downstream users of that record. The void opens at the material change itself — not at any particular link of the chain. The links determine its duration and its depth: even full compliance leaves a bounded, lawful void of fifteen to thirty days; a failed transmission makes it unbounded; a failure to record the change at all means the information exists nowhere except in fact. Its duration is not measurable from public data and this report does not estimate it. The void has no

guaranteed closing mechanism. A subsequent filing may reconcile the record with corporate reality; persistent non-filers instead commonly proceed to administrative dissolution without the uncertainty surrounding the currency of the underlying record ever being resolved — and, as the cross-register finding in Section 5 shows, the divergence can survive dissolution itself, with one register recording an entity as dissolved while another continues to display it as registered. The void is "temporal" in the sense that it exists in time, not in the sense that it reliably resolves.

The registry reliability signal. The information a public register publishes about the currency of its own records — in Canada, principally the warning flag applied to entities in default. Where that signal is absent, or answers a different question from the one being asked of it, a downstream user cannot distinguish a current record from a stale one.

The validation paradox. A validation control can operate exactly as designed and nevertheless reproduce inaccurate information where the authoritative source has not incorporated the underlying corporate change. The control establishes consistency between the reporting entity's record and the register — not consistency between either record and corporate reality.

Core axiom. Increasing the frequency of validation does not increase the accuracy of validation where the underlying authoritative source has not been updated.

Table of contents

1. The corporate information chain and the KYC temporal void 5
2. Existing literature and the unmeasured question 9
3. Empirical health of Canada's corporate information chain 10
4. Annual filing compliance as a state-change process 12
5. Registry reliability signalling 16
6. The validation paradox and the 2025 discrepancy regime 20
7. The new effectiveness requirement: PCMLTFA s. 9.6(1.1) — and where it lands 23
8. The guidance vacuum and the central policy question 28
9. Implications 29
10. Limitations 30
11. Recommendations — completing the architecture 31
12. Conclusion 35
Appendix A — Method and reproducibility 37
Appendix B — Statutory and regulatory table 39
Appendix C — Negative and abandoned results 41
Appendix D — Corporate-side deadlines and transmission channels by jurisdiction 42
Appendix E — Confidence register 43
Sources 46

1. The corporate information chain and the KYC temporal void

The operational environment is best understood not as two competing clocks but as a chain of three links, each capable of failing independently.

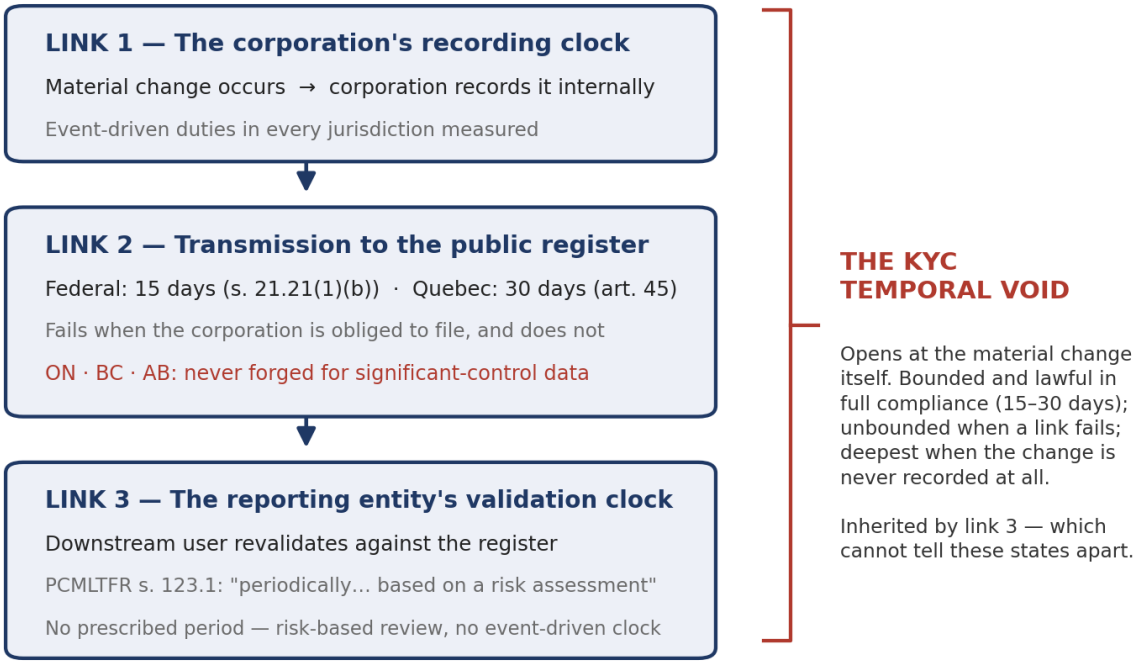


Figure 1 — The corporate information chain. The KYC Temporal Void opens when corporate reality changes. Links 1 and 2 determine whether it remains bounded, becomes unbounded, or deepens because the change is never recorded; link 3 inherits the resulting information state.

Three properties, kept distinct. Authority: the source legally establishes or records the registered state. Accuracy: the recorded information corresponds to reality. Currency: the information continues to correspond to reality at the time it is consulted. A register can be fully authoritative while being neither verifiably accurate nor demonstrably current — and nothing in this report questions the registers' authority. Every finding that follows concerns currency and the impossibility, from the register alone, of establishing it. The chain below fails differently against each property.

Link 1 — the recording link — sits entirely inside the customer, and it is not a federal peculiarity: every jurisdiction measured imposes event-driven duties of this kind. A change of directors engages a notification clock in all five — fifteen days everywhere but Quebec's thirty — and the same event-driven pattern governs registered-office changes and the other prescribed updates. For significant-control information, the federal regime requires the change to be recorded in the corporation's own register within fifteen days (CBCA s. 21.1(3)), with equivalent internal-register duties in Ontario and British Columbia on the timelines in Figure 2.

Link 2 — the transmission link — is where the chain most often breaks, and it fails in two distinct ways. It fails when a corporation that is obliged to file simply does not — the subject of Sections 3 and 4. It also fails structurally where no filing channel exists at all.

The pattern across the five jurisdictions measured is compact enough to state in three sentences. Fifteen days is the norm for notifying the registrar of a change of directors, with Quebec at thirty. The divide that matters runs down the second column of Figure 2: significant-control information reaches a public register federally and in Quebec, and nowhere else. In Ontario and British Columbia it is recorded in a register the corporation keeps itself and files with no one; in Alberta — one of three Canadian jurisdictions without corporate transparency register laws, with the Northwest Territories and Nunavut (Yukon's register requirement has been in force since 1 June 2025) — provincial law requires no significant-control register at all. A consultation on proposed requirements closed in September 2025, but nothing has yet been enacted. The full jurisdictional detail, with statutory citations and the British Columbia amendments not yet in force, is set out in Appendix D.

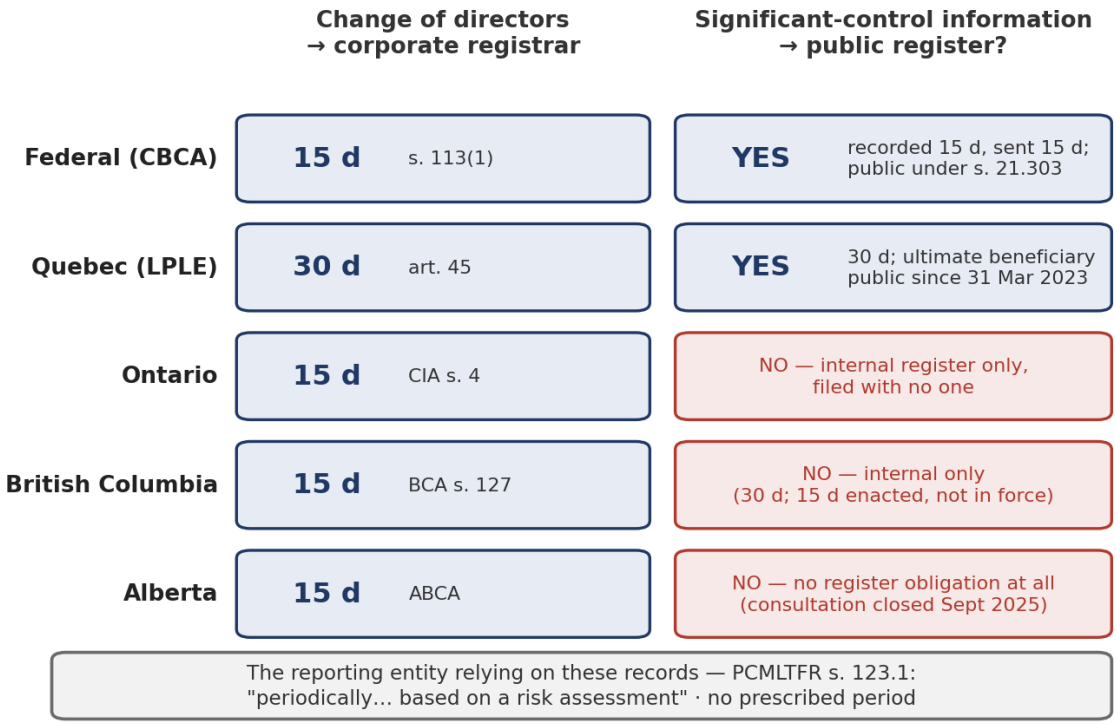


Figure 2 — Corporate-side deadlines and the transmission divide, five jurisdictions. The left column is the corporation's clock; the right column is whether the information ever reaches a public register.

The consequence deserves emphasis, and it takes two forms. In Ontario and British Columbia the duty to maintain accurate significant-control information is real and enforceable, and the information is **structurally invisible through the transmission link**: it exists in the corporation's records, but no filing carries it into any public register. In Alberta the position is starker — provincial corporate law imposes no significant-control register obligation at all, so for ABCA corporations the information a reporting entity must collect under PCMLTFR s. 138 has no provincial corporate-law counterpart even in principle. For that data class in those jurisdictions, the public-registry information gap is unbounded by design: no amount of repeated interrogation of the public register can close it. A reporting entity may of course obtain the information from

the client directly, or from another permitted source — that is what PCMLTFR s. 138 contemplates. What it cannot do is corroborate that information against a public record, because no public record of it exists.

Link 3 — the validation link — is the only link where a reporting entity has agency. PCMLTFR s. 123.1 requires client information to be kept up to date "periodically… based on a risk assessment", and declines to define the period. The contrast with the corporate links should be stated precisely: it is not that the AML regime imposes no obligations of frequency — ongoing monitoring must occur, and high-risk relationships attract prescribed enhanced measures — but that corporate law imposes event-driven deadlines measured in days, while the AML regime approaches currency through risk-based periodic review, with no equivalent clock that starts when the corporate change actually happens.

Risk-tiered refresh cycles — annual for higher risk, longer intervals below — are commonly described as industry practice. This report gathered no data on actual institutional practice and asserts nothing about what any bank does. The argument does not depend on it: for any refresh interval longer than fifteen days, the asymmetry holds.

The KYC temporal void opens at the material change itself, before the chain has done anything, and the links determine what becomes of it. Even a fully compliant chain leaves a bounded, lawful void — the statutory recording and transmission windows mean reality and the record diverge, by design, for up to fifteen to thirty days. A link-2 failure leaves the corporation knowing what the world does not: the internal register is current, the public record is stale, and direct inquiry of the client still works. A link-1 failure is the deepest form: the change is recorded nowhere, even internally, so the information exists only in fact — and a client attestation drawn from the corporation's own records returns the same stale answer as the register. Link 3 inherits whichever of these states the upstream chain produced, and cannot distinguish among them.

The industry conversation is almost entirely about link 3, because link 3 is where a bank has control. The downstream control sits at link 3; the information defect it inherits arises upstream — at link 1, at link 2, or in the structural absence of a link-2 channel. The control and the defect are not directly connected, and that disconnection is the subject of Section 6.

The filing gateway is beginning to acquire controls of its own. Two recent developments qualify the picture at the point of entry. Corporations Canada has instituted a procedure requiring intermediaries who incorporate for third parties — law firms and other incorporation agents — to maintain know-your-client processes for the clients they incorporate; and Quebec requires a copy of an identity document for each director with the registration or updating declaration (LPLE s. 68.1, since 31 March 2023). Both operate at the gateway: they bear on who files and whether the persons declared are identified. Neither bears on whether subsequent changes are transmitted, or on the currency of what already sits on the register. They narrow the integrity gap at entry; they do not close the void that opens after it.

Why this is live now. Until 26 March 2026, a bank's obligation under PCMLTFA s. 9.6(1) was to maintain a compliance programme *intended* to ensure compliance, and a documented, consistently executed refresh schedule went a long way toward satisfying it. Section 9.6(1.1), added by 2026, c. 4, s. 79, now additionally requires that the programme be "reasonably designed, risk-based and effective" — an express effectiveness requirement standing alongside the requirements of reasonable design and risk basis. It therefore calls for

an inquiry extending beyond whether prescribed processes were established and executed, to whether those controls function effectively in practice. Section 7 sets out the standard and where it lands in the penalty architecture.

2. Existing literature and the unmeasured question

The literature reviewed for this report does not appear to have framed this specific problem or measured it empirically. Closely connected problems, however, have been identified in the corporate-transparency, beneficial-ownership and AML literature.

Canadian corporate-transparency work has assessed the architecture of the registers. The most substantial prior assessment is the *Canadian Company Data Transparency Index* (2022), published by Transparency International Canada with Canadians for Tax Fairness and Publish What You Pay Canada as the End Snow-Washing Coalition. It evaluated all fourteen Canadian corporate registries on accessibility, searchability, data quality and depth of data as at late 2021 and early 2022, found that "none of Canada's business registries independently verifies data to ensure that it is true and accurate," and scored the federal registry highest at 52.5 of 100, with every other jurisdiction lower. The broader Canadian "snow-washing" and beneficial-ownership literature — the same coalition's technical guides, and the commentary surrounding ISED's 2020–2021 beneficial-ownership consultations — has repeatedly pressed the same institutional points: fragmented registries, absent verification, and the importance of adequate, accurate and timely corporate information.

The international assessment record reached the financial-institution side a decade ago. The FATF's fourth-round mutual evaluation of Canada (2016) found that "little is done by FIs to verify the accuracy of beneficial ownership information," that such information was "neither verified nor comprehensive in all cases," and made it a priority action to "ensure compliance by all FIs with the requirement to confirm the accuracy of beneficial ownership in relation to all customers." It rated Canada's effectiveness on the transparency of legal persons — Immediate Outcome 5 — **Low**, the only Low rating in the evaluation. Those findings sit within the regulatory trajectory that subsequently produced stronger beneficial-ownership requirements, the 2025 discrepancy-reporting regime, and the 2026 programme-effectiveness amendments — a trajectory of chronology and policy continuity, without any claim here that one caused another.

International empirical work supports the method but has not asked this question. Buckley, Grant and Hardman have argued the case for whole-register empirical analysis of corporate-law infrastructure from the registers of Australia, the United Kingdom and New Zealand (*Australian Journal of Corporate Law*, 2025; consulted as to abstract and scope), and Treacy and Okrent at the Federal Reserve have matched state incorporation records against Legal Entity Identifier reference data for Ohio and Massachusetts to test how far different authoritative sources corroborate the same entity's identity (FEDS 2023-011). Neither line of work measures Canadian registers, filing currency, or the consequences for regulated KYC validation.

The unmeasured question. The literature reviewed for this report does not appear to contain an empirical measurement of Canadian corporate-record currency itself: what proportion of the corporations a register presently describes as active have ceased supplying the annual compliance signal from which record currency

can be inferred; how that condition evolves once it begins; what the register signals about it; and what follows when that record is used as an input into regulated ongoing validation.

This report therefore makes three contributions. First, it measures corporate-record *currency* rather than registry design. Second, it measures how filing non-conformity behaves over time — its persistence, the concentration of cure in the first year, and its terminal disposition — and how reliably the register signals that condition. Third, it distinguishes source verification from source accuracy, and connects that distinction to its regulatory consequences: the PCMLTFR obligations that put the register inside the control — ongoing monitoring under s. 123.1, confirmation and prescribed registry consultation under s. 138, discrepancy reporting under s. 138.1, and the s. 138(4) measures where accuracy cannot be confirmed — and the statutory effectiveness requirement of PCMLTFA s. 9.6(1.1), in force since March 2026.

3. Empirical health of Canada's corporate information chain

To assess whether a monitoring system can be defended as effective, the system must be tested against the condition of its primary input. Where a public register is used as a validation input, the effectiveness of the resulting control necessarily depends in part on the informational characteristics of that source.

What the registers are for — the legislative yardstick for "effective". The yardstick for that assessment is not invented here; the legislatures set it themselves. Quebec's statute states its purpose in its title — the legal publicity of enterprises — and gives the register genuine evidentiary force: under article 98 LPLE, the registered information, expressly including the identity of directors, principal shareholders and ultimate beneficiaries and their dates of entry into and cessation of office, "may be set up against third persons from the time it is recorded in the statement of information and is proof of its content for the benefit of third persons in good faith." Third persons in good faith are statutorily entitled to rely on the register as proof of its content, contrary evidence remaining admissible — and a registrant struck off ex officio may not even dispute its own declared information.

The federal scheme points the same way. The CBCA makes prescribed significant-control information public precisely so that it can be consulted (s. 21.303); the annual return is the mechanism by which the register keeps itself current; and FINTRAC describes the 2025 discrepancy-reporting regime as intended to help keep the federal beneficial-ownership information accurate and up to date. The registers, in short, exist to be relied on. The measurements that follow ask whether the annual compliance signal on which that reliance depends is in fact being supplied.

Baseline annual-return default.

- **Federal (CBCA):** 20.02% of active corporate profiles with a return due are in filing default.
- **Ontario-domiciled federal corporations:** 21.47%. These are CBCA corporations whose registered office is in Ontario. This is **not** a measurement of corporations incorporated under the Ontario *Business Corporations Act* and must not be read as one.
- **Quebec (REQ):** 18.20% of registered **corporations** — *sociétés par actions*, legal form CIE, 694,339 registrants. The term matters: corporations are the narrower and better-performing slice of the register.

Across all registered enterprise forms the default rate is 19.44%, and among non-corporate forms — sole proprietorships, partnerships, associations — it is 21.64%.

The convergence is striking but it is not replication. The three rates measure related but non-identical obligations on different registers. Test construction, however, is not the obstacle it might appear: the Quebec figure was computed under both its published per-record construction (18.20%) and a federal-style fixed cut-off (18.21%), a difference of 0.01 percentage points, so a like-for-like comparison exists — Quebec 18.21% against federal 20.02% on a common construction, the federal rate 1.8 points higher. The residual caveats are about the obligations themselves and the overlapping populations, and the companion Quebec report sets them out. Under the programme's comparison doctrine (Report 8, Two Registers, One Mechanism), harmonized constructions may be numerically compared, but the resulting levels rank no jurisdiction: the underlying obligations and populations differ.

The population is not empty shells. The objection that filing default is confined to dormant entities does not survive the Quebec data, which is the only Canadian register carrying a declared employee count and therefore the only source permitting the objection to be tested.

Table 1 — Quebec default rate by declared employee band

Declared employees	Default rate
None	18.08%
1 to 5	**20.59%** — highest of any band
6 to 10	13.29%
11 to 25	9.96%
26 to 49	7.01%
50 to 99	5.66%
250 to 499	3.29%
All Quebec corporations (CIE)	18.20%

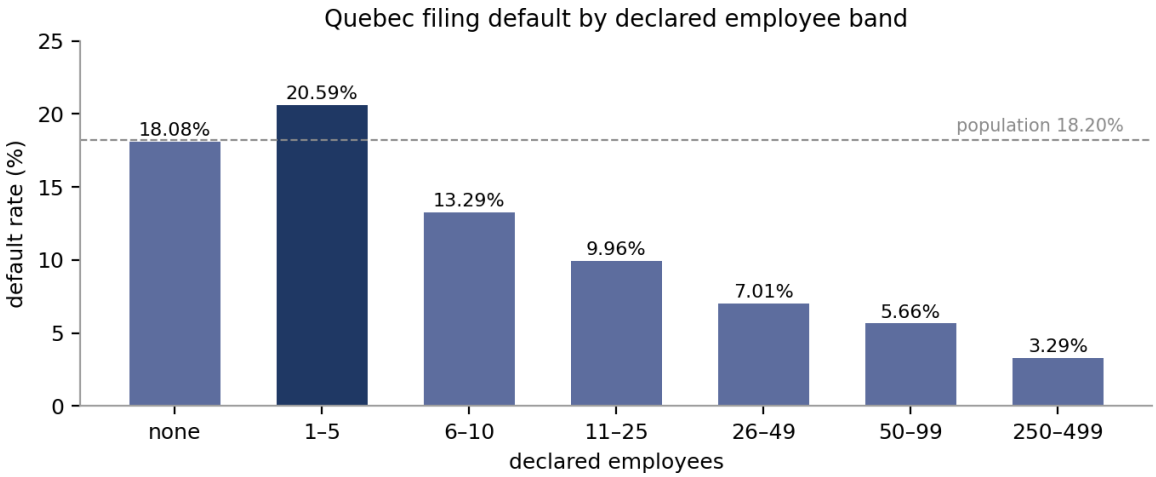


Figure 3 — Quebec filing default by declared employee band. The 1-to-5 band is the highest in the register; the no-employee band sits at the population rate.

Corporations declaring no employees default at essentially the population rate. Corporations declaring one to five employees default at the highest rate in the register, and **48,352 defaulting enterprises report at least one employee**. Above ten employees the rate falls steadily and monotonically. Because these are rates rather than counts, each rate is already calculated within its band: a corporation with one to five employees is more likely to be in filing default than one with none, and roughly six times more likely than one with 250 to 499.

The boundaries must be stated. The employment evidence is Quebec only. Employee counts are self-declared and updated by filing, so non-filers report the least current figures — though that staleness applies equally to every band and does not generate the excess in the 1-to-5 band. The federal extracts contain no revenue or employment data, and no size claim is made about the federal population.

Currency distribution. Two-thirds of federal corporate records carry a filing from 2025 or 2026. Roughly 8,500 corporations carry a record four or more years old. **41,851 are overdue having never filed a single annual return since incorporation.**

A latent screening signal in the public data. Within the never-filed population, a narrower cohort can be isolated from the free federal bulk file: corporations bearing a numbered legal name (of the form *NNNNNNN Canada Inc.*), whose anniversary date fell on or before 31 December 2024, and which have never filed an annual return. That cohort numbers **19,902 corporations. 13,277 of them — 66.7% — are displayed with an unqualified Active status**, and 16,011 are in Ontario. Within the subset at least two full years past a filing anniversary, only 21.3% carry the register's warning flag. The register does not surface this cohort as a distinct risk signal, although the data necessary to identify it — name form, anniversary date, and absence of any filing year — are all fields of the public bulk file.

The pattern inside the never-filed population mirrors Section 5. Recent never-filers — corporations incorporated in 2024 approaching or just past their first return — are flagged at around 37%, because that is where the enforcement pipeline is operating. The deeper the cohort, the lower the flag rate. Flag prevalence

falls as the record becomes objectively less reliable, because the flag reports enforcement activity rather than record reliability.

4. Annual filing compliance as a state-change process

Filing default is analysed here as a compliance continuum rather than as transitory lateness. The distinction matters: if default were administrative noise, a 20% rate would be unremarkable. If it is persistent degradation, the rate describes the reliability of the record chain itself.

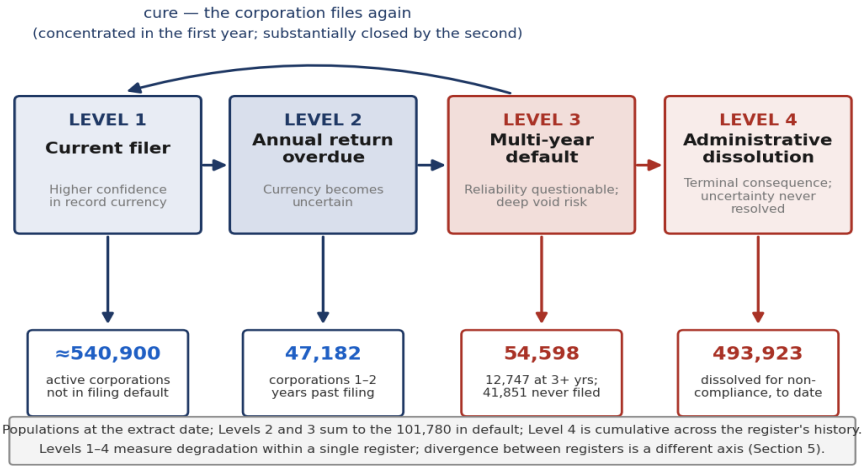


Figure 4 — Annual filing compliance as a state-change process, with each level's measured population at the extract date. Cure returns a corporation to Level 1 and is concentrated in the first year; the alternative trajectory ends at Level 4 with the uncertainty surrounding the record never resolved. Levels 2 and 3 sum to the 101,780 corporations in default; Level 4 is cumulative across the register's history. Divergence between registers is a separate axis (Section 5).

The narrow claim, stated once and relied on throughout. A missed annual return does not prove that a director or an individual with significant control has changed. It establishes that the corporation's filing discipline has lapsed, and that persistent non-filing progressively destroys the basis for assuming the public record remains current. This report advances only the second claim.

Pre-default behaviour cannot be observed from the public record — and that is itself the finding. If compliance degraded gradually, a monitoring system might flag accounts whose filing punctuality was slipping. Whether that degradation occurs cannot be tested from the bulk data products examined: the federal bulk file records only the year of the last annual filing, with no history, and the Quebec bulk file records a single deposit date that each new filing overwrites. The Quebec registry's public interface does expose each enterprise's document index — its filing history — but record by record, not in bulk, and modelling across a population requires the bulk format. An early-warning model built on filing behaviour is therefore not merely difficult: the sequence it would need is either absent from the public data or accessible only one enterprise at a time. Whatever signal a corporation's filing trajectory might carry, a downstream user cannot read it at the scale of a book of clients.

Post-default trajectory. Corporations were grouped into cohorts by the year of their last annual filing, and each cohort's present state was established across both the active and inactive federal registers. Membership in a cohort survives administrative dissolution — a corporation struck off in 2019 retains its last filing year. A corporation leaves a cohort in one of two ways: by filing again, or by taking another exit — voluntary dissolution, amalgamation, discontinuance or court-ordered dissolution. The table reports those other exits in their own column, and states the dissolution share twice: against the administrative-default pathway — corporations still shown Active, flagged for pending dissolution, or dissolved for non-compliance — and against the full cohort across every status.

Table 2 — Post-default trajectory by last-filing cohort

Last filing	Still Active	Flagged pending dissolution	Dissolved for non-compliance	Pathway cohort	Dissolved — % of pathway	Other exits	Full cohort	Dissolved — % of full
2024	35,253	11,868	239	47,360	0.5%	13,329	60,689	0.4%
2023	4,076	138	23,987	28,201	**85.1%**	**13,229**	**41,430**	**57.9%**
2022	767	112	23,332	24,211	**96.4%**	**11,672**	**35,883**	**65.0%**
2021	419	49	14,164	14,632	96.8%	10,085	24,717	57.3%
2020	286	15	8,680	8,981	96.6%	8,489	17,470	49.7%
2019	384	28	10,315	10,727	96.2%	10,361	21,088	48.9%
2015	326	18	5,813	6,157	94.4%	7,677	13,834	42.0%
2010	246	12	3,949	4,207	93.9%	5,199	9,406	42.0%
2005	241	16	3,374	3,631	92.9%	3,676	7,307	46.2%
Never filed	142,419	14,202	242,415	399,036	60.8%	84,424	483,460	50.1%

> How to read this table. It shows that among corporations whose last observed filing remains in the stated year, dissolution increasingly dominates the surviving cohort as default deepens. It does not show that a corporation entering default today carries an 85.1% probability of dissolution on that timetable. Corporations that subsequently filed leave the cohort by construction; dissolved corporations remain in it; corporations that took another exit appear under Other exits. For the 2023 cohort, administrative dissolution accounts for 85.1% of the pathway and 57.9% of the full cohort — the difference is the 13,229 corporations that left by voluntary dissolution, amalgamation, discontinuance or court order: exits that are neither cure nor administrative strike-off.

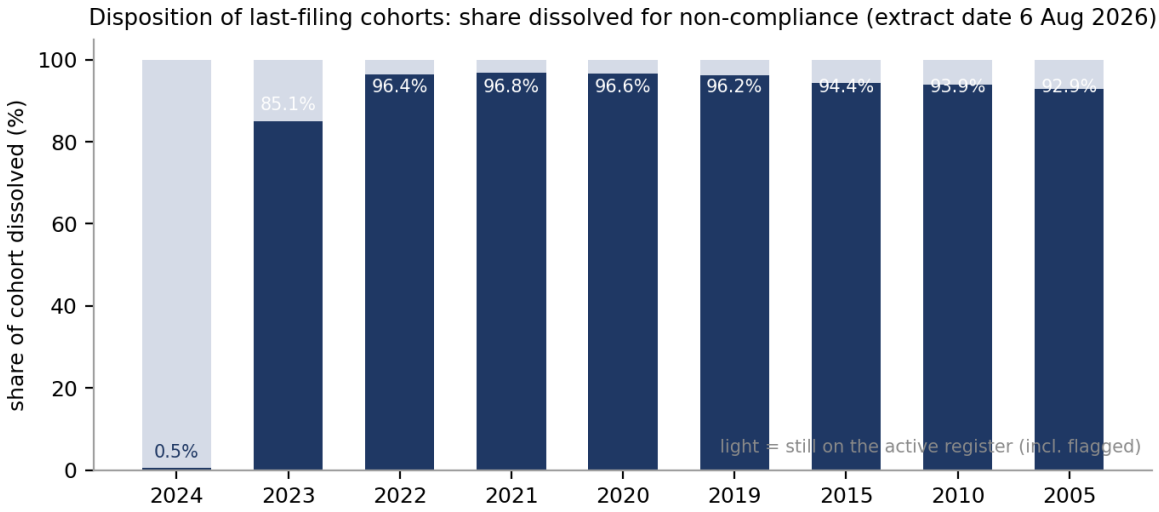


Figure 5 — Disposition of last-filing cohorts. By roughly two years into default — three years past the last filing — dissolution dominates; in cohorts three or more years past their last filing the share sits between 93% and 97%.

Three findings follow.

Among corporations that neither resume filing nor take an orderly exit, administrative dissolution is close to certain. By roughly two years into default — three years past the last filing — 85.1% of the remaining administrative pathway have been struck off; counting every exit, strike-off accounts for 57.9% of the full cohort, the largest single disposition. For older last-filing cohorts the pathway share sits between 93% and 97% in every cohort measured back to 2005. The residual population still shown as Active at that depth is small in absolute terms — between roughly 250 and 800 corporations per year.

Cure occurs, and it occurs early. Cohort sizes fall sharply between one and two years past the last filing — 47,360 to 28,201 on the pathway construction — but that fall reflects corporations that filed again as well as those that took an orderly exit, and the two cannot be separated from a single snapshot; nor can the precise cure rate be stated, because the number entering each cohort varies with the size of the filing population in that year. What the shape supports — as an inference rather than a demonstration — is that the opportunity to cure is concentrated in the first year and has substantially closed by the second.

By roughly two years into default, the observed trajectory is overwhelmingly toward administrative dissolution. This is the finding that matters for control design, and it is stronger stated descriptively than predictively. A reporting entity holding a client whose last annual filing is three years old is not being told what will probably happen to that client. It is being told what has, in 85.1% of comparable cases, **already happened** — and in 93% to 97% of cases where the last filing is four or more years old. A two-year refresh cycle reaches the record at a point where that disposition is, in the great majority of instances, already settled.

Limitations of this construction. These figures are the current disposition of historical cohorts as at the extract date. They are not prospective probabilities for an entity now entering default, and nothing here demonstrates that a particular corporation at year two will be dissolved. Cohorts are defined by the absence

of a subsequent filing, so corporations that cured are excluded by construction; the figures describe the fate of corporations that never filed again — across both the administrative pathway and the other exits now shown on the table's face — and are not a cure rate. The 2020 and 2021 cohorts sit inside the period when federal dissolutions were suspended and should not be read as a clean time series.

Control implication. A risk-scoring model that would anticipate filing default from filing behaviour cannot be built from the public record, because the record does not carry the behaviour. Detection must therefore operate on the state change itself — which, on the cohort evidence above, has a window concentrated in the first year. This is the empirical basis for the core axiom.

Address concentration — a tested hypothesis that failed. If default were driven by deliberate structuring, defaulting corporations should cluster at shared addresses. The gradient runs the other way, monotonically:

Table 3 — Address concentration against default rate — a tested hypothesis that failed

Corporations at the address	Addresses	Corporations	Default rate	Against baseline
1	347,558	347,558	21.05%	1.05×
2 to 4	48,411	111,979	19.24%	0.96×
5 to 9	3,616	22,311	17.19%	0.86×
10 to 24	1,035	14,361	14.34%	0.72×
25 to 49	163	5,332	10.65%	0.53×
50 to 99	59	4,048	9.83%	0.49×
100 or more	16	2,880	7.19%	**0.36×**

Baseline 20.02% across the 508,469-corporation cohort with a usable address. Addresses normalized on street and postal code.

Corporations at addresses shared by 100 or more — the profile of corporate-services and mass-incorporation addresses — default at roughly a third of the baseline rate. The likely explanation is unremarkable: an address shared with a professional firm usually means someone is paid to notice deadlines. The hypothesis that default concentrates in mass-registration addresses is not supported. Default appears broadly dispersed across the corporate population and cannot be isolated through shared-address concentration alone. Other characteristics may differentiate it — the Quebec employee bands in Section 3 do — but this one does not.

5. Registry reliability signalling

A stale record is more manageable if the register signals uncertainty about its own currency. The federal register generally does not provide such a signal.

A warning status — the status "Active – Dissolution Pending (non-compliance)" — is visible on **26.5%** of the 101,780 federal corporations in filing default. The distribution of that flag across depth of default is the finding.

Bands are measured as years elapsed since the last annual filing. Report 1 in this series reports the same populations using "years behind", meaning annual returns due and not filed, which is one less. The 4,263 corporations shown here at three years are the 4,263 shown there as two years behind.

Table 4 — Warning-flag prevalence by depth of default

Years since last annual filing	Corporations in default	Flagged	Flag rate
1 to 2 years	47,182	11,868	**25.2%**
3 years	4,263	138	**3.2%**
4 to 5 years	1,453	161	11.1%
6 to 10 years	1,906	94	**4.9%**
11 to 20 years	3,493	147	4.2%
Over 20 years	1,632	339	20.8%
Never filed	41,851	14,201	33.9%
All defaulters	**101,780**	**26,948**	**26.5%**

The flag does not measure staleness. It measures presence in the enforcement pipeline. Corporations one to two years past their last annual filing are flagged at 25.2% because that is where the s. 212 process is actively operating, and Section 4 shows that comparable cohorts at that depth have overwhelmingly been struck off. The corporations still shown as Active three to twenty years after their last filing are, precisely, the ones the enforcement process did not reach — and taken together they carry a warning flag in only 4.9% of cases.

This is a sharper problem than a simple inverse relationship would be. A reporting entity querying the register is not receiving a weak signal about record currency. It is receiving a signal about something else entirely: whether the registrar is currently moving to dissolve the corporation. Taken together, the 11,115 corporations three to twenty years past their last filing and still shown as Active carry no warning in **95.1%** of cases — not because the registrar considers those records reliable, but because the flag was never designed to answer that question.

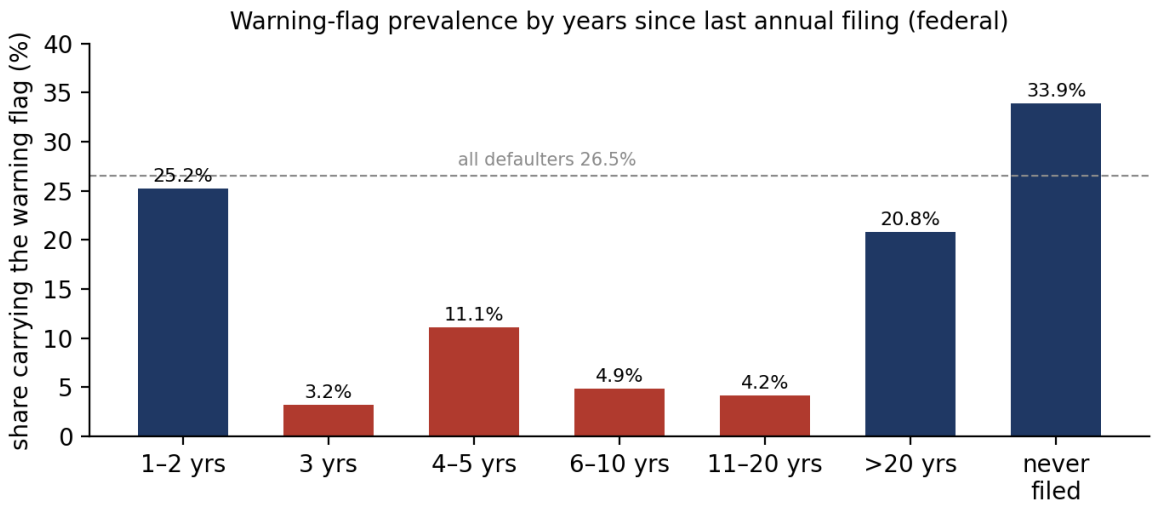


Figure 6 — Warning-flag prevalence by depth of default. Across the 3-to-20-year bands taken together (11,115 corporations, all shown Active), 4.9% carry a warning; the register is silent on 95.1% of them. Band rates range from 3.2% to 11.1%, and the aggregate is the fair summary.

Divergence between registers — a different axis. Cross-register matching identifies 6,822 corporations dissolved federally for non-compliance that remain registered — immatriculée — on the Quebec enterprise register. The same entity can therefore simultaneously appear as dissolved for non-compliance in the federal register and as registered in the Quebec register. Immatriculée denotes registration; it is not a Quebec determination that the corporation exists at federal law, and the divergence should not be described as two governments asserting incompatible legal conclusions. What it demonstrates is narrower and, for a control designer, more useful: public registry status fields cannot be treated as interchangeable indicators of corporate state. A query to one register returns a status that would mislead any control relying on it to establish whether the entity exists.

Measured against the population from which the match could have drawn — the 117,002 CBCA-regime corporations registered on the Quebec register — the 6,822 represent 5.83%. Roughly one federal corporation in seventeen on Quebec's register no longer exists federally.

The divergence is bidirectional — and actively renewed. Applying the identical construction in reverse, 5,897 corporations Active in the federal register are struck off — radiée d'office — in Quebec, 44.9% of them carrying a 2025–26 federal filing (Report 10, where the mirror population is measured in full). Nor is the forward population archival residue: nearly half of the 6,822 — 47.9% — filed a Quebec updating declaration within the last two years. For the control designer the lesson compounds: not only can a status field be stale in the register consulted — the two registers' status fields can disagree about each other, in either direction, with the disagreement actively maintained, and nothing in either result disclosing it.

This is not a fifth rung of the Section 4 continuum. A corporation in this population sits at Level 4 federally and Level 1 in Quebec at the same moment, which is precisely why it belongs on a separate axis. Only Quebec has been tested; no inference is drawn about other provinces.

The divergence should also be characterized fairly, because it is not a data error by either registrar. Canada's registers share no notification mechanism: the home jurisdiction does not advise an extra-provincial register of a dissolution, and the party that would ordinarily carry the information — the corporation itself, through its own filings — has ceased to exist and files nothing. Inter-registry latency of this kind is an architectural feature of a federal registry system without inter-registry feeds. For a compliance team operating across jurisdictions, the practical consequence is the one already stated: registry status fields are jurisdiction-specific facts, not interchangeable indicators of corporate state. The mechanics and consequences of administrative dissolution are the subject of the companion report, *Banking While Dissolved*, and are not re-argued here.

One mechanism from that report is relied on because it bears directly on detection, and it is sourced here rather than by cross-reference. Closing a corporation's Canada Revenue Agency accounts requires Form RC145, and CRA's published guidance directs the corporation to send articles of dissolution with it; absent that filing, CRA states, it considers the corporation to still exist for its purposes and expects a return. Administrative dissolution under CBCA s. 212 does not produce articles: s. 212(3) provides for a certificate issued by the Director, and CRA's guidance does not say whether that certificate is accepted in their place. The inference this report draws — that the business number can remain live after the entity has ceased to exist at corporate law — is drawn from the two documents; it has not been confirmed with CRA and is not measured from matched data. **On that inference the identifier survives the corporate-law event, creating a further potential mismatch between an external validation input and the corporation's legal state.**

Put the pieces together and the divergence is not merely bilateral. A corporation dissolved federally for non-compliance can, at the same moment, remain registered on the Quebec enterprise register and, on the inference just stated, remain a live account-holder at the CRA — on the agency's published position, still considered to exist for its purposes and still expected to file. Three authoritative government systems can therefore maintain materially different administrative states for the same corporation at the same time: federally dissolved, provincially registered, and still live for CRA account purposes. None of those fields is necessarily erroneous within the system that maintains it; the problem is that they are not interchangeable indicators of corporate legal state.

Core takeaway. The public information architecture becomes less transparent precisely as the underlying record becomes less reliable.

6. The validation paradox and the 2025 discrepancy regime

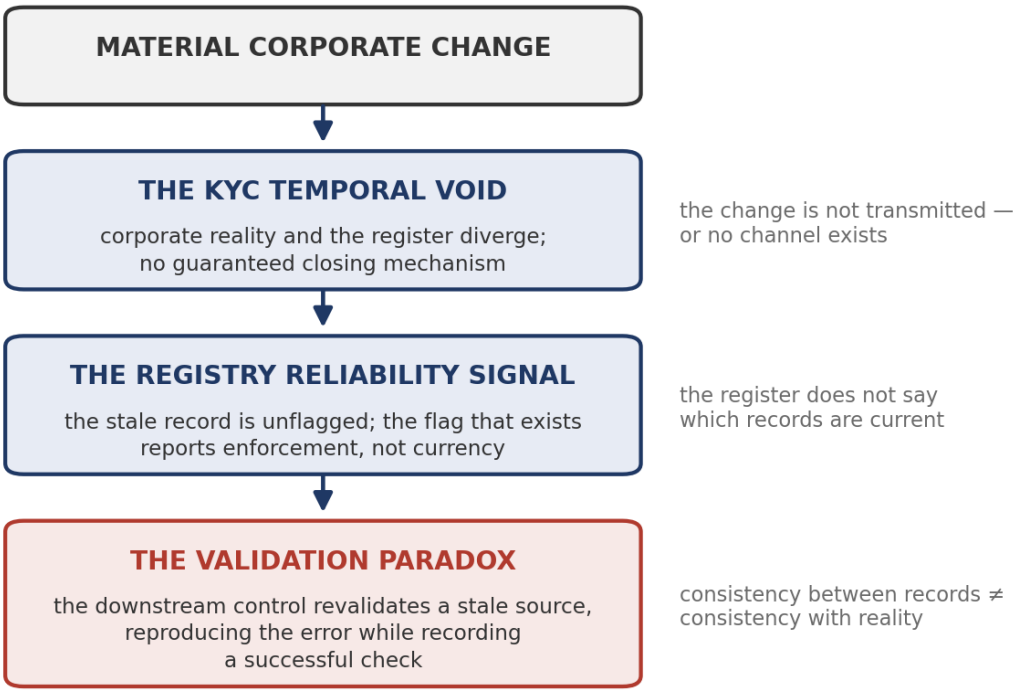


Figure 7 — The three-concept causal model. The void is the condition; the reliability signal is why it goes undetected; the paradox is why diligence against the same source does not close it.

A validation control can operate exactly as designed and nevertheless reproduce inaccurate information where the authoritative source has not incorporated the underlying change. The control establishes consistency between the reporting entity's record and the register. It does not establish consistency between either and corporate reality.

The data do not reveal which defaulting records occupy a KYC Temporal Void. That is precisely the problem: the public register provides the downstream user no means of distinguishing those that do from those that do not. The 20.02% measured in Section 3 is not a count of voids — it is the population within which record currency has ceased to be affirmatively evidenced, and within which any voids that exist are invisible. The one directly observed case is the cross-register divergence in Section 5: 6,822 entities whose state information demonstrably diverges between two authoritative registers.

Three consequences follow.

Frequency does not cure it. Where link 2 has failed, a second look at link 3 returns the same answer as the first. This is the core axiom, and it is why the paradox is structural rather than operational.

A successful check and a correct check are different events. A system that is designed to query the register, receive an apparently current result and log a successful match could perform its programmed validation correctly while reaching a conclusion unsupported by current corporate reality. Nothing in the log would distinguish the two.

> **This report does not establish that any Canadian financial institution operates such a control.** No institutional workflow has been observed. The construction above is an analytical model of the information architecture against which any registry-dependent control must be evaluated, and it is offered as such and nothing more. What the report establishes empirically is the condition of the registry link; what a given institution does with it is outside its evidence.

Corroboration does not necessarily escape the problem, and the two sources may not be independent. A reporting entity is not confined to the register. PCMLTFR s. 138 contemplates obtaining beneficial ownership information from the client and taking reasonable measures to confirm its accuracy, and s. 138(2) expressly contemplates consulting the information made public under CBCA s. 21.303. Wherever the register is used in that way, its currency determines what the corroboration can establish. If the client's information is current and the register is stale, the control returns a false conflict and generates work. If the client's information is stale and the register is stale in the same respect, the control returns a match and records a successful verification.

The second case is the dangerous one, and it is not a coincidence. The register is stale because the corporation did not file. A corporation that has not maintained its public filings is not obviously a corporation that has maintained its internal registers — and where the failure sits at link 1, the recording link, the non-independence is not a risk but a certainty: the change was never recorded anywhere, so the client's own records and the public record fail together, identically. The two sources can share a single point of failure, and treating them as independent corroboration overstates what the check has established.

Where a public record exists, the paradox is about reliability; where none exists, validation is unavailable altogether. For federal and Quebec clients there is a public record to consult — the federal ISC information under s. 21.303 and Quebec's ultimate-beneficiary disclosure — and everything in this section describes the limits of relying on it. For significant-control data in Ontario, British Columbia and Alberta the position is categorically different: there is no public record to validate against at all. The reporting entity's information may still be accurate — obtained from the client and confirmed by reasonable measures under PCMLTFR s. 138 — but it cannot be corroborated against a register that was never designed to hold it. The control that exists in the federal and Quebec contexts simply has no counterpart there.

The scope of that divide can be stated against the national corporate population, though not as a measured share. Approximately 2.75 million corporations filed a T2 (corporate tax) return in 2023 — the closest available proxy for the number of corporations operating in Canada. Only two regimes place significant-control information on a public register: the federal register, with 642,674 active CBCA corporations, and Quebec's enterprise register, whose transparency obligations attach to registration rather than incorporation — 694,339 registered business corporations. Those populations are not additive and are not commensurable with the T2 count — Quebec's register includes federally incorporated registrants, the register figures are 2026 stocks while the T2 figure is a 2023 tax-year flow, and a covered corporation need not be a T2 filer — so no percentage of national coverage is stated. What the comparison establishes is qualitative and sufficient: the federal and Quebec registers are the country's only public significant-control registers, with British Columbia's regime enacted but not yet in force, and the provincially incorporated population outside them

has no public significant-control transmission channel anywhere in Canada. The five-jurisdiction survey in Appendix D verifies this directly for the jurisdictions holding most of the corporate population; for the remainder it rests on the national corporate-transparency literature and on practitioner knowledge, and is graded accordingly in Appendix E.

The 2025 discrepancy regime: the paradox instantiated in regulation

The comparison this section describes is no longer entirely hypothetical, because in one defined circumstance the Regulations now require it. Under PCMLTFR s. 138(2), a reporting entity must take reasonable measures to confirm the accuracy of beneficial ownership information both when first obtained and **"in the course of ongoing monitoring of business relationships"** — and, for a corporation incorporated under the CBCA that the entity assesses as high-risk, it **"shall consult information that is made available to the public under section 21.303 of that Act."** Material discrepancies are reportable; Schedule 7 to the Regulations prescribes the report. The regime came into force on 1 October 2025.

Two things follow, and they run in opposite directions.

First, the register is no longer merely *available* to a reporting entity. In the prescribed circumstances it is part of the validation process itself, by regulation. A control architecture that treats registry consultation as optional is, for that client population, no longer describing the law.

Second — and this is the more important point — **the discrepancy regime does not resolve the validation paradox; it exposes it.** A mismatch between the reporting entity's information and the federal register establishes that the two records diverge. The act of comparison does not establish which record reflects current corporate reality. The regime's own design concedes this: the reporting entity is not directed to adopt the register's version, and the discrepancy report exists precisely so that either record may be corrected. It is a reconciliation mechanism, not a rule of registry conclusiveness. The regulator has, in other words, already recognized in one context what this report measures across the register: that the reporting entity's record and the public record may diverge, and that neither is authoritative merely because it is consulted.

And the prescribed consultation reaches only CBCA corporations. Section 138(2)'s registry-consultation direction is expressly confined to corporations "incorporated under the Canada Business Corporations Act," and the discrepancy-reporting mechanism runs to the federal beneficial-ownership registry. For the provincially incorporated majority of Canadian corporations, the reporting entity's obligation remains the general one — reasonable measures to confirm accuracy, when the information is obtained and during ongoing monitoring — with no source prescribed. For Quebec clients a public source exists to consult voluntarily; for Ontario, British Columbia and Alberta clients, none does. The prescribed regime therefore covers precisely the population whose register is most visible, and leaves unprescribed the populations whose registers are least.

An operational consequence follows for the reporting entity caught between divergent records. Consultation and discrepancy reporting do not themselves determine which record reflects current corporate reality. Section 138(3) requires the entity to document the information obtained and the measures taken to confirm its accuracy, but documentation does not substitute for the underlying obligation in s. 138(2) to take

reasonable measures to confirm accuracy. Where registry consultation does not permit confirmation, other reasonable measures may therefore be required; and where accuracy ultimately cannot be confirmed, s. 138(4) prescribes additional measures. The significance for the present analysis is narrower: **a documented registry check can establish that the prescribed interrogation occurred without establishing that the underlying information was correct** — which is the validation paradox restated in regulatory terms.

7. The new effectiveness requirement — PCMLTFA s. 9.6(1.1)

Two obligations, not one reworded. Section 9.6(1) is unamended and continues to require a programme "intended to ensure" compliance. Section 9.6(1.1), added by 2026, c. 4, s. 79, provides:

> "The person or entity shall ensure that the program is reasonably designed, risk-based and effective."

Commentary describing this as a shift *from* the older language *to* the newer is inaccurate. The obligations are cumulative.

What "effective" adds. Section 9.6(1.1) imposes three requirements conjunctively: that the programme be reasonably designed, that it be risk-based, and that it be effective. The first two are directed to design. "Effective" is the only word in the provision directed to performance, and Parliament enacted all three together. On the presumption against surplusage, "effective" must do work the other two do not — which is to require an inquiry extending beyond whether prescribed processes were established and executed, to whether the controls function effectively in practice.

What “effective” demands. The requirement is directed at results rather than effort, and that is what distinguishes it from s. 9.6(1). A programme “intended to ensure” compliance is a standard of means, and Parliament left that provision in place while adding another; reading “effective” as no more than “reasonably effective” would collapse the addition back into the design limb and leave the amendment with little work to do. It does not follow that effectiveness means perfection. A control may function without producing a correct result in every case, and nothing in the provision converts an error into a contravention. What the standard asks is whether the programme works — not whether it was well-intentioned, well-documented, or diligently executed. Effectiveness was already in the Regulations before 2026, but as the object of a review: s. 156(1)(f) requires a documented plan for a review of the compliance programme “for the purpose of testing its effectiveness”, carried out every two years (s. 156(3)). That is a duty to test. Section 9.6(1.1) makes effectiveness the thing the entity must achieve, and leaves the review obligation standing.

Whether the adverb “reasonably” reaches beyond “designed” remains open on the text, and neither decision nor published guidance resolves it. The French text (« raisonnablement conçu, fondé sur les risques et efficace ») attaches the adverb to the participle it precedes and tips the balance toward the narrower reading, without settling it. The point matters less than it appears. Conduct that fails a performance standard will ordinarily fail a reasonableness standard as well: it is difficult to describe as reasonable a programme that had clear contradictory information available on a public register and did not consult it, or consulted it and did nothing. Where both readings converge on the same answer, the argument does not depend on choosing

between them. The convergence is confined to cases of that kind; for an isolated miss by a well-designed and diligently operated control, the adverb would decide the outcome.

This report does not contend that effectiveness is measured by outcome alone, or that a programme fails the standard because any particular control did not achieve a correct result. A control may be reasonable and effective without being perfect. The contention is narrower: that s. 9.6(1.1) makes the practical functioning of a programme a distinct subject of examination, and that a programme's reliance on an input of demonstrably uncertain currency is properly examined under it.

The regulator was examining performance before effectiveness became an express, Act-level requirement. The ongoing-monitoring limb is examined and enforced at every scale: FINTRAC's largest penalty against a domestic bank as at 9 July 2026 — $9,185,000 against The Toronto-Dominion Bank, imposed 9 April 2024 — included a violation of PCMLTFR s. 123.1 for failure to conduct ongoing monitoring, with 96 identified instances in which client risk ratings were not reassessed. The notice most relevant here, though, is a smaller one, for its language. FINTRAC's published notice for the Exchange Bank of Canada penalty (imposed 5 November 2024; on the parties' joint submissions the Federal Court confirmed the three violations and varied the penalty to $1,027,975, 18 December 2025, finding a palpable and overriding error in the Director's failure to consider that it was a first offence) found that the bank *"failed to develop and implement an effective AML/ATF compliance program relative to its business model and global reach"*, and traced its ongoing-monitoring violation to *"a lack of adequate testing and tuning of rules to ensure TM performance effectiveness."* That examination predates s. 9.6(1.1) and arose under the old framework; the violations concerned transaction reporting and monitoring, not corporate records. Its relevance here is narrow: it shows the supervisory posture — whether controls actually perform, not merely whether they exist — that the 2026 amendment has now made an express statutory requirement.

Classification. New Part 1 item 9.1 of the Schedule to the Administrative Monetary Penalties Regulations, added by 2026, c. 4, s. 119, classifies a contravention of s. 9.6(1.1) as a **very serious violation** — $1 to $20,000,000 under s. 5(c). Items 196 to 201 of Part 2, pairing s. 9.6(1) with PCMLTFR s. 156, were raised from serious to very serious by s. 120 of the same statute.

The ranges. AMP Regulation s. 5, as replaced by 2026, c. 4, s. 118, sets $1 to $40,000 (minor), $1 to $4,000,000 (serious) and $1 to $20,000,000 (very serious). The prior version, in force from 30 December 2008 to 25 March 2026, set $1,000, $100,000 and $500,000. The multiple is exactly forty on every rung, and the ranges operate subject to the Act's per-violation maxima: $4,000,000 where the violation is committed by a person and $20,000,000 where it is committed by an entity (s. 73.1(2)).

New mandatory compliance agreement. Since 26 March, an administrative monetary penalty no longer ends a matter. Once proceedings on any prescribed violation close, the Centre must require a compliance agreement setting out the measures to be taken and the deadline for taking them (s. 73.16); FINTRAC describes the change as applying in all cases where a penalty is imposed. Refusal — deemed after six months — or a missed deadline produces a public compliance order (s. 73.17), and contravening that order is itself a violation, at the greater of $30,000,000 and 3% of group gross global revenue for an entity (s. 73.18(2)(b)) — above the very-serious ceiling. The ladder runs from any violation, minor ones included. What matters here

is that the remediation an entity must then commit to, on a deadline, is precisely what this report shows to be hard when the defect lies upstream.

The turnover ceiling. PCMLTFA s. 73.1(3) caps the total for all violations on a single notice at, for an entity, the greater of $20,000,000 and 3% of gross global revenue; s. 73.1(4) deems that revenue, where the entity is affiliated, to be the group's.

Two things must be said about that figure, and the second matters more than the first. It is a maximum, not a forecast: the amount of any penalty is determined case by case under the s. 73.11 criteria, and nothing in this report should be read as suggesting that the ceiling is the likely outcome of any examination — though the published record shows penalties within sight of the former per-violation ceilings, and aggregate notices well beyond them. And it is a cap on the notice, not on any individual violation — the per-violation maxima remain those in AMP Regulation s. 5. What changed in 2026 is the ceiling, not the expectation.

Ability to pay. Section 73.11(c), added by 2026, c. 4, s. 96, makes the ability of the person or entity to pay an express criterion in determining a penalty. The provision is neutral on its face. How it applies to a large institution has not been addressed in guidance or in any decided case, and this report does not characterize it as either mitigating or aggravating.

Shift in how compliance is evaluated. Demonstrating an executed refresh schedule intended to update information may no longer provide a complete answer where the validation mechanism relies on source data of uncertain currency. That is an interpretation of s. 9.6(1.1), not a statement of settled law.

Where it lands: from record-level deficiency to programme effectiveness

Stage 1 — isolated deficiencies are minor violations. A failure to keep client information current under PCMLTFR s. 123.1 is a minor violation. Inaccuracies as to directors and 25% owners under s. 138(1)–(3) are minor (items 184–186); so are the not-for-profit determination under s. 138(5) (item 189) and the discrepancy-reporting duties under s. 138.1 (items 189.1–189.2, added by SOR/2025-68, s. 23). Only the special-measures obligations in s. 138(4) are serious.

Table 5 — Classification and penalty range by failure type

Failure	Schedule	Classification	Range
Client information not kept current — s. 123.1	Part 2, item 163	Minor	$1 – $40,000
Directors and 25% owners inaccurate — s. 138(1)–(3); not-for-profit determination — s. 138(5)	Part 2, items 184–186, 189	Minor	$1 – $40,000
Material discrepancy not reported, or acknowledgement not kept — s. 138.1(1)(a), (b)	Part 2, items 189.1–189.2	Minor	$1 – $40,000

Special measures not applied — s. 138(4)	Part 2, items 187–188	Serious	$1 – $4,000,000
Programme not reasonably designed, risk-based and effective — s. 9.6(1.1)	Part 1, item 9.1	**Very serious**	**$1 – $20,000,000**

The minor classification limits the penalty for each violation. It does not limit how many violations a notice may identify, and the cumulative maximum in s. 73.1(3) is set by reference to revenue rather than to any count.

Stage 2 — what the $400,000 threshold actually does. AMP Regulation s. 4(2) provides that a series of minor violations identified on a notice of violation shall be considered a serious violation **"for the purpose of section 73.21 of the Act"** where the penalties total $400,000 or more.

The internal reference is decisive. Section 73.21(1) confers a right of appeal to the Federal Court on a person or entity served with a decision "in respect of a serious violation, a very serious violation or a compliance order violation". A minor-only decision sits outside that statutory route; judicial review of a federal administrative decision generally remains available under s. 18.1 of the Federal Courts Act.

The effect of s. 4(2) is therefore procedural: once a series of minor violations crosses $400,000, the respondent obtains the statutory appeal route that s. 73.21 does not provide for minor violations. The provision does not escalate the penalty tier, does not raise any per-violation maximum, and does not reclassify minor violations as serious for the purpose of quantum. The contrary reading circulates widely and is wrong on the text.

It also yields an observation of its own: the regime's only express rule for a series of minor violations is a due-process protection, not an enforcement lever — and the enabling power tells the same story: s. 73.1(1)(b) authorizes the Governor in Council to classify a series of minor violations as serious or very serious, and the only exercise of that power — s. 4(2), which carried a $10,000 threshold until 25 March 2026 — was confined to the s. 73.21 purpose. Parliament then re-enacted the provision itself: s. 117 of S.C. 2026, c. 4 substituted $400,000 for $10,000 and left the purpose limitation untouched, in the same statute that multiplied the ranges by forty and created item 9.1. An institution facing thousands of minor violations gains the statutory appeal, not a larger penalty.

To read the $400,000 figure as a penalty multiplier is to mistake a procedural threshold for a rule of liability. Parliament fixed the point at which a respondent acquires the statutory appeal. It did not fix a point at which minor violations become expensive.

Where aggregation actually operates is PCMLTFA s. 73.1(3) — the greater of $20,000,000 and 3% of group gross global revenue for all violations on one notice, with no deeming provision or threshold required.

Stage 2A — the serious-tier route the Regulations already contain. Section 138(4) of the PCMLTFR provides that where a reporting entity "is not able to obtain the information, to keep it up to date in the course of ongoing monitoring of business relationships or to confirm its accuracy," it must take reasonable measures

to verify the identity of the entity's chief executive officer and apply the special measures referred to in s. 157. Those special-measures obligations sit in the Schedule at Part 2, items 187 and 188, classified **serious** — $1 to $4,000,000 per violation.

This is a textual bridge from record currency to the serious tier that requires no programme-level argument at all. It must be stated carefully: a stale register does not by itself establish inability to confirm, because other confirmation routes exist. But for the high-risk CBCA client population, s. 138(2) names the register as the prescribed consultation source — and where that source is stale, the route to confirmation the Regulations themselves prescribe is impaired. An entity that cannot confirm through any route is then not facing a $40,000 question. The Regulations anticipated the failure case, and they placed it in the serious tier. The timing is short: one year of non-filing is enough. From the first missed return the prescribed source carries no current reconfirmation, the entity is put to other reasonable measures, of which the client is in practice the principal source — and s. 138(4), with its serious-tier special measures, stands one failed confirmation away.

Stage 2B — the same duty at every refresh, for every risk tier. Stage 2A reaches the high-risk CBCA population; s. 138(2) and (3) reach the rest of the book. Those obligations are engaged by the refresh itself: at each periodic review the reporting entity must take reasonable measures to confirm the beneficial-ownership information and keep it current. A measure is reasonable only if capable of achieving its object. Where the record page shows — beside the status word — that no annual return has been filed for a cycle or two, the annual reconfirmation of significant-control information that the return carries has not occurred, and consulting that record can no longer confirm currency. The reasonable measures must then be taken by another route. FINTRAC's guidance lists several — official documentation or records, a client-signed confirmation, supporting documentation from the client, open-source and commercial sources — and because commercial and derivative sources ordinarily trace to the same registry record (§11), the measures that remain in practice are those that come from the client. That is not a discretionary escalation; it is what the obligation requires once the prescribed route is visibly impaired. If those measures still do not permit the entity to confirm the information, s. 138(4) and the special measures follow. (Significant-control filings travel by the annual return and by event-driven updates sent to the Director within 15 days after the change is recorded in the corporation's own register, itself due within 15 days of the corporation becoming aware of it (CBCA ss. 21.1(3), 21.21(1)(b)); a return default therefore establishes the absence of annual reconfirmation — which is what a refresh exists to detect.) The reach is the point: the duty touches every corporate client at every refresh, the low-risk tier less often only because its cycle is longer — and, given the temporal void, a longer cycle means a deeper divergence when found. A reasoned interpretation, not settled law.

Stage 2C — a standard that moves with the infrastructure. Stages 2A and 2B take the register as given. The effectiveness requirement is not indexed to a fixed set of sources: it asks whether the programme functions, and what a programme can do is a function of what exists. Where a second government register publishes significant-control information for the same corporation — as Quebec's does today for federally incorporated corporations registered there — the measures reasonably available to confirm that information expand, and they expand without any amendment to the Regulations. The confirming measure must differ from the measure used to obtain the information; a second authoritative register is such a measure, available at the

cost of one search. The consequence is a standard that ratchets: as further jurisdictions build public significant-control registers, what an effective programme could have done grows, and the distance widens between prescribed consultation — one register, high-risk CBCA clients only — and available confirmation. The proposition does not depend on resolving how far "reasonably" reaches. On a performance reading, a programme that leaves an available confirmation unused has not been shown to work; and on a reasonableness reading, a programme holding clear contradictory information from a public register, unconsulted or unacted upon, is difficult to describe as reasonable. Availability does not by itself create duty — proportionality governs, registers differ in coverage and quality, and no obligation to search exhaustively arises from the fact that a search is possible. This report asserts no present breach by any entity. The narrower proposition is the one that matters for programme design: the effectiveness limb is measured against what was available, not only against what was prescribed.

Stage 3 — the separate question of programme effectiveness. Section 9.6(1.1) creates a distinct obligation with its own Schedule entry. A contravention of it is independently established; it is not assembled out of file-level violations. The relationship is evidential:

> **The file-level violations are evidence of the programme failure. They are not constituents of it.**

That distinction answers the objection a bank's counsel would properly raise — that Parliament classified these violations as minor, addressed expressly what follows when they occur in series, and chose a procedural consequence, so volume cannot be used to construct a very serious violation. Nothing is constructed. A distinct obligation is independently contravened, and the file-level failures are the proof that the programme did not meet the standard.

On that footing the argument is straightforward. Section 9.6(1.1) makes the practical functioning of a programme a distinct subject of examination. Where a monitoring architecture permits large numbers of client records to fall out of currency undetected between refresh cycles, those failures may cease to present solely as isolated record-level deficiencies and raise the separate question whether the architecture itself satisfies the provision. Section 73.11(b) makes harm done an express penalty criterion, and volume is relevant to harm.

An unanswered question. On an allegation under s. 9.6(1.1), the Director decides on a balance of probabilities (s. 73.15(2)); the standard of proof is settled. What is not settled is what must be proved — what evidence makes out ineffectiveness, and against what measure. The representations procedure in s. 73.15 was designed around discrete, ascertainable contraventions and is not obviously adapted to a qualitative requirement of this kind. No guidance addresses it and no case has tested it. The report notes the question and does not attempt to answer it.

Two provisions bound the exposure. Section 73.23(1) provides that a violation is not an offence, and s. 73.24(1) provides that due diligence is a defence in a proceeding in relation to a violation; s. 73.24(2) preserves common-law justifications and excuses. Neither was amended in 2026. On the reading advanced here, an entity whose programme did not work may still escape penalty by proving, on a balance of probabilities, that it took all reasonable care to make it work. The Federal Court has held that the reasonable steps relied on must precede the examination and be directed at the specific obligation alleged (Max Realty

Solutions Ltd. v. Canada (Attorney General), 2014 FC 656, paras. 62–68; Kabul Farms Inc. v. Canada, 2015 FC 628, para. 42). That is why the record of what was consulted, when, what it returned and what was done with it (§9; Recommendations 11.7–11.9) is not only examination readiness but the evidence on which the defence stands.

The limits of that argument, stated here rather than in a footnote. This is a reasoned interpretation, not a settled one — a policy and legal risk model, not administrative precedent. Nothing in the Act or Regulations provides that a given number of minor violations establishes a programme failure. FINTRAC has published no guidance on s. 9.6(1.1), no administrative monetary penalty decision has interpreted the provision in any context — registry staleness or otherwise — and its harm-done assessment guide for compliance-programme violations predates the amendment by more than six years. There is no decided case. This report advances this reading as the better one and does not represent it as the regulator's position.

8. The guidance vacuum and the central policy question

FINTRAC has stated that it will "elevate certain compliance program violations from serious to very serious" and that it "will update its guidance to outline the expectations for these requirements". That guidance has not been published. FINTRAC's compliance-programme guidance remains dated 11 October 2024 and makes no reference to s. 9.6(1.1). Its harm-done assessment guide is dated 26 August 2019. Its operative administrative monetary penalties policy, last modified 6 August 2025, still publishes the superseded $1,000 / $100,000 / $500,000 ranges — figures that no longer govern violations occurring on or after 26 March 2026. FINTRAC’s transition page on the new penalties framework (modified 6 May 2026) confirms both halves of the point: the old policy and amounts continue to apply only to violations that occurred entirely before that date, and the updated policy and guidance remain under development.

Reporting entities have therefore been subject to an express effectiveness requirement for the whole of that period while the regulator's own published policy states penalty ranges that no longer govern new violations. (The modernization page, the administrative monetary penalties policy page and the Exchange Bank penalty notice were retrieved on 9 August 2026 and full-text archive copies are held with the working papers; the compliance-programme guidance and harm-done guide were verified as to date and content on 8 August 2026. All were re-verified against the live pages on 14 August 2026, together with the transition page, which was published after the first retrieval. Page content may change.)

The central policy question. How should an express effectiveness requirement apply where a reporting entity reasonably relies on authoritative public corporate information that is itself stale, incomplete, or inconsistent between jurisdictions? That question is not answered by the statute, and it has not been answered by guidance. It is the question this report is written to put.

9. Implications

Four implications follow from the measurements and the statutory analysis together. Each is stated for the reporting entity's side of the architecture; the registry and regulator sides are carried in the recommendations.

1. For control design — cadence is not detection. A refresh schedule answers s. 123.1's requirement that monitoring occur periodically. It does not answer s. 9.6(1.1)'s question, which is whether the programme functions in practice. The cohort data give that distinction empirical teeth: cure concentrates in the first year of default and the trajectory has overwhelmingly resolved by the second, so a cycle of ordinary length reaches the record after the event it exists to catch. A programme whose corporate-state input is interrogated only on a calendar is exposed on the one dimension the 2026 amendment made independently examinable. The series now supplies the clock against which any cadence must be judged: half of an entering federal cohort stops filing within four years and half is off the register within six (Report 6), and between two refreshes a corporation can default, be struck off, revive and cure without leaving a trace where the institution looks (Report 10, §8.4). A refresh interval chosen without reference to those measured half-lives is a calendar, not a control.

2. For examination readiness — the record of asking is the evidence. Under an effectiveness requirement, a check performed but unrecorded is indistinguishable from no check. The documented interrogation — what was consulted, when, what it returned, what was done with a divergence — is what an examination file can show — and the record from which a due diligence defence under s. 73.24(1) is proved — and s. 138(3) requires a record of the beneficial-ownership information and of the measures taken to confirm it. FINTRAC's guidance requires the specific measures to be recorded only where they differ from those documented in the entity's policies and procedures, so the two-date file recommended in 11.8 is control design beyond the statutory minimum, not the minimum itself. A documented registry check establishes that the prescribed interrogation occurred; it does not establish that the information was correct; both halves of that sentence belong in the file.

3. For reliance — a clean result is not currency, and corroboration may not be independent. A validation that returns "no discrepancy" establishes consistency between two records, not the truth of either. Where the client's information and the registry information are stale in the same respect — and the same non-filing can produce both — agreement is the failure mode, not the success. Where confirmation cannot be achieved by any reasonable measure, s. 138(4) prescribes the route: verify the chief executive officer's identity and apply the s. 157 special measures. That route sits in the serious tier, and a programme should know before the examiner asks how often it is being taken.

4. For the client relationship — strike-off is an account event, not only a compliance event. Administrative dissolution materially changes the customer's legal state and may affect its ability to execute documents or to operate the relationship normally, on identifiers that may outlive the entity. The only actor able to restore the filing signal is the corporation itself. That makes the compliance health of the SMB client base a matter of portfolio interest to the institution, distinct from — and prior to — any obligation the institution itself carries.

Reliance need not be binary. The measurements in this report and the underlying series establish that record reliability is not randomly distributed: it varies systematically with observable, public characteristics — filing recency, duration of default, corporate age, first-filing history, and dissolution-pending status. The same registry metadata that demonstrates the currency problem therefore also supports stratifying it. An "Active" result accompanied by a current filing is a materially stronger signal than an "Active" result accompanied by years of default, and enhanced inquiry can be triggered by the condition of the record rather than applied indiscriminately to every counterparty. This report states the principle and stops there: constructing and validating a scored reliability model from these variables is future research, not a finding.

10. Limitations

1. **Unobserved institutional workflows.** Published FINTRAC examination findings establish that financial institutions conduct risk-based ongoing monitoring, and for high-risk CBCA corporations the Regulations now expressly require consultation of the federal register during ongoing monitoring. What remains unobserved is the broader institutional practice: whether, how often, and by what means Canadian financial institutions re-screen corporate existence, directors, ownership and registry status for corporate customers generally. The analysis assumes no bank workflow beyond what is established in law or published regulatory material. This is the report's principal limitation. A related boundary: OSFI rescinded Guideline B-8 in 2021 to eliminate duplication with FINTRAC, leaving FINTRAC as the principal federal AML/ATF supervisor — so the available public evidence on KYC currency is found primarily in the Act, the Regulations, and FINTRAC guidance and enforcement findings.
2. **Administrative default is not illicit intent.** The metrics reflect the currency of corporate records, not transactional fraud or money laundering, and no such inference should be drawn.
3. **Statutory interpretation boundary.** The application of s. 9.6(1.1) to registry latency is reasoned legal argument, not settled precedent.
4. Jurisdictional coverage. The deadline and visibility analysis covers five jurisdictions in depth; the cross-register test covers Quebec only. The proposition that no public significant-control register currently exists outside the federal and Quebec regimes — British Columbia's being enacted but not in force — rests, for the nine jurisdictions not surveyed in depth, on the national corporate-transparency literature and practitioner knowledge rather than on this report's own statutory survey.
5. **Employment evidence is Quebec only.** No size claim is made about the federal defaulting population.
6. **Duration is not measured.** The temporal void is defined as a period of unknown length. No figure here should be read as estimating it.
7. **Entities continuing to transact after ceasing to exist** cannot be counted from any available source. The phenomenon is named; its magnitude is not estimated, because it is not measurable.

11. Recommendations — completing the architecture



Figure 8 — Completing the architecture: registries expose currency, corporations affirm it, institutions test it — and the regulator defines what the test establishes.

The findings in this report do not argue for abandoning registry validation; they argue for completing the architecture around it. Four parties hold the information and the leverage needed to close the gaps this report measures: registries must expose currency, corporations must affirm it, institutions must test it, and the regulator must ensure that the rules governing validation reflect the capabilities and limits of the sources they prescribe. Each recommendation below responds to a measured finding. None requires legislation except where stated, and none assumes how far institutions already employ similar controls — current practice was not measured. One asymmetry should be named before the list: the two registers addressed here are the two that publish open data — the only registers in Canada that can be examined at population scale. The recommendations that follow are therefore asks of the jurisdictions that lead; for those that publish nothing — Ontario first among them — the antecedent recommendation is to become measurable at all. Opacity is not a better condition than measured imperfection; it is the same condition, unexaminable.

Registries: expose currency

11.1 — Put currency on the face of the record. The federal and Quebec registers already hold most of the elements of a currency signal: filing dates, overdue returns or declarations, the duration of any default, dissolution-pending status federally — and, in Quebec, because the regulation requires it, the statutory deadline itself. They display these as fragmented facts rather than synthesizing them into a stated currency status. Each register does already display a status word — “Active,” “immatriculée” — but it answers a different question: existence, not compliance. What is recommended is a currency status beside it. A search result of the form “Status: Active · Last annual return received: 14 March 2026 · Annual filing: current” requires no new information from the corporation; it changes what the user can know from information the

register already holds. A registry user should know not only what the record says, but when the corporation last affirmed it.

11.2 — Enable event-driven registry monitoring. Periodic re-checking asks the wrong question at the wrong interval. A missed filing, a director change, a significant-control filing, a dissolution proceeding, a revival — each is an event, and the registers record each as it occurs. A reporting entity should be able to register a corporate client for notice of prescribed events affecting that corporation, much as registered-interest notification operates in other public-record systems; for institutions monitoring large portfolios, the same events should be available as a machine-readable feed. The federal registry already publishes monthly transaction extracts — the underlying event data exist. Event-driven notification converts ongoing monitoring from an interval problem into a notification problem, and shortens the temporal void by exactly the interval it eliminates. The limitation is important: notification cures delay after transmission; it cannot detect a change that was never transmitted. That is why registry notification and corporate notification (11.4) must operate together: the register gives notice of what reaches it, the corporation undertakes to disclose what may not, and the annual attestation backstops both.

11.3 — Resume publishing performance statistics. Corporations Canada's last annual statistical report covers 2020, and neither register publishes default rates, strike-off counts or processing outcomes as a continuing series. The cost of the silence is measurable: Quebec's register struck off 3,201 corporations under article 59 (the Quebec Legal Publicity Act's ex-officio cancellation power, engaged by two consecutive years of unfiled updating declarations or by failure to comply with a request of the registrar) in all of 2025 and 30,894 in the seven months to 1 August 2026 — a near-tenfold acceleration that appeared in no bulletin or series, and is knowable only because it was computed from the register's own open data. Registries measure the compliance of everyone else; they should measure and report their own performance. An effectiveness requirement is difficult to assess against a register that publishes no measures of its own effectiveness.

Corporations: affirm currency — through the banking relationship

11.4 — Make corporate currency a continuing obligation. Institutions already impose continuing obligations on business clients; corporate currency can be one of them, with two components. Event-driven: the corporation undertakes to maintain its legal existence and required registrations, to remain current on mandatory annual filings, and to notify the institution promptly of changes to directors, significant control, registered office or legal status. Annual: once a year, the corporation positively confirms that the corporate and beneficial-ownership information the institution holds remains accurate as of a stated date — or corrects it. The annual component matters because a “tell us if something changes” regime treats silence as confirmation, and the measured registers show what silence is worth.

Silence is not proof of currency. A positive attestation creates a dated confirmation from the party that controls the underlying facts.

Nor is the instrument novel: FINTRAC's guidance already recognizes a client-signed confirmation as a reasonable measure to confirm beneficial-ownership accuracy. How a client evidences currency is its own

choice; what the obligation changes is who bears the burden of evidencing it — reallocating an exposure that presently rests on the party that does not control the fact to the party that does (§7).

11.5 — Use the cure window. F2 identifies a narrow window: cure concentrates in the first year of default, after which the measured trajectory is overwhelmingly toward strike-off — 85.1% of the pathway cohort by roughly two years into default. The registrar may be communicating with a defaulting corporation through a registered-office address that is itself stale; the institution ordinarily maintains an active relationship with the same business. That contact is an opportunity: surface the corporation's last-filing date — which the register already displays — in routine communications, and prompt correction inside the window in which cure was, in the measured cohorts, concentrated. Helping a client restore currency also improves the information on which the institution's own validation controls depend; a variant based on the same logic allows demonstrated currency to justify a lighter-touch refresh.

Institutions: test currency

11.6 — Monitor existence and filing currency as ongoing attributes. Legal existence, registration status and filing currency are not facts that can safely be established once at onboarding and thereafter assumed. F4 demonstrates why: corporate existence itself can change — in both directions, between refresh cycles — without generating any event that would prompt a record to be revisited. The same is true of filing currency and beneficial ownership. A corporation's continued existence is a monitored fact, not merely an onboarding fact.

11.7 — Escalate when the source itself is stale. Not every successful registry search deserves the same evidentiary weight; the response should be graduated by the condition of the underlying record, and predefined:

Table 6 — Escalation by observed registry condition

Observed registry condition	Response
Current record	Ordinary reliance
Overdue filing	Independent confirmation, beginning with the client
Dissolution pending, or conflicting status between registers	Enhanced review; a material conflict must be resolved, not merely chosen between
Dissolved	Legal-capacity and account escalation

The doctrinal footing for the second row is §7 (Stage 2B), and FINTRAC's guidance already requires confirmation measures different from the measures used to obtain the information. The third row is earned by measurement: 6,822 corporations dissolved federally remain registered in Quebec, and 5,897 shown Active federally are struck off there (F4) — two authoritative sources materially disagreeing is itself information requiring investigation, and no rule needs to say which register wins. The inputs to the ladder — never filed, years since last filing, warning flag, struck elsewhere — are signals about information reliability, not financial-crime risk: filing default establishes that the record may no longer be current, not that activity is suspicious, and this report measures nothing that would support the broader inference.

11.8 — Record two dates, not one. A file entry of “registry checked — yes” records that a search occurred, not how current the retrieved information was. The file should preserve both: “corporate state verified as of 27 August 2026; underlying information last affirmed 12 June 2026.”

11.9 — Use the second register as a confirmation source, and note that a divergence has nowhere to go. Where a federally incorporated corporation is also registered in Quebec, two public registers hold significant-control information about the same corporation. The two records do not measure identical populations: the federal ISC definition and Quebec's ultimate-beneficiary definition share the 25%-or-more threshold but differ in exemptions and in the fields made public, so a comparison must first normalize for those differences, and a mismatch that arises from statutory coverage is not a divergence about control — the same logic on which FINTRAC excludes coverage mismatches from the federal discrepancy regime. The measures taken to confirm beneficial-ownership information must differ from those used to obtain it, and registries are among the reasonable measures FINTRAC's guidance identifies; a second register is therefore capable of serving as the confirming measure where the first was used to obtain. Where the two disagree about who exercises significant control, the entity has not confirmed the information — it has established that the registry route cannot confirm it, and the remaining reasonable measures run to the client; if the information still cannot be confirmed, s. 138(4) and its special measures follow. The effectiveness point is narrower than an obligation to search twice: a programme with an independent confirmation source available at the cost of one search, and no position on whether it uses it, is not obviously answering the question the standard asks. What is recommended is a documented position, not a mandatory procedure. This report does not report how often the two registers diverge on significant control; a companion study in this programme measures that agreement and reports separately. A regulatory gap accompanies the practice: the discrepancy-reporting regime runs from the reporting entity's own record to Corporations Canada's data, and nothing addresses a divergence between two public registers. Neither registrar is notified, neither is obliged to reconcile, and the entity that identifies one has no channel through which to report it.

> The two dates are the validation paradox expressed as two fields.

Regulators: complete the framework

11.10 — Make prescribed consultation jurisdiction-neutral. Since 1 October 2025, a reporting entity must consult Corporations Canada's database for high-risk CBCA corporations, at initial identification and during ongoing monitoring. An equivalently risky corporation constituted in Quebec — whose register makes ultimate-beneficiary information publicly available, and whose measured filing condition is comparable — attracts no equivalent prescription. The obligation should follow the corporation, not its statute of incorporation. The Regulations should prescribe consultation of the authoritative register of the corporation's constituting jurisdiction wherever that register makes significant-control information publicly available: Quebec qualifies today, and the rule extends automatically as equivalent infrastructure appears elsewhere. FINTRAC's guidance already identifies provincial registries among available reasonable measures; the amendment would make such consultation mandatory where qualifying infrastructure exists, building on a measure the guidance already recognizes.

11.11 — State what registry consultation establishes. The Regulations now tell reporting entities where to look; they do not state what a successful match establishes when the prescribed source cannot itself establish the currency of the information displayed. The announced guidance (§8) should answer three concrete questions: does a registry match constitute reasonable confirmation, or only one input to it; what must an institution do when the prescribed source is visibly stale; and when has it done enough. An institution required to operate an effective compliance programme should not have to determine for itself the evidentiary weight of the authoritative source the Regulations direct it to consult.

Control without custody. The general form of the problem deserves a name. Downstream users are increasingly accountable for the quality of decisions made from upstream data whose currency they neither control nor can independently establish. The pattern is not confined to AML compliance: lending, insurance, government procurement, professional diligence by lawyers and accountants, credit reporting, and licensing all rely on the same records under the same conditions — and a professional who retrieves the latest registry profile has not thereby established that the corporation's record is current.

Source count is not source independence. Commercial databases and verification services widely ingest registry data. Three services that ultimately trace to the same registry record are one information chain, not three confirmations — repeated interrogation of derivatives of a stale source cannot cure its staleness, however independent the interfaces appear. Diligence design should count chains, not sources.

Completing the architecture. None of the four roles can substitute for another, and the measured condition of the registers is what an incomplete architecture produces.

> The register exposes currency. The corporation affirms it. The institution tests it. The regulator defines what the test establishes.

Under an effectiveness requirement, completing the architecture is no longer merely better design; it is the practical question the new standard requires institutions and regulators to answer.

12. Conclusion

Canada's public corporate registers are authoritative sources of corporate identity, corporate status and — in some jurisdictions only — control information. This report measured how current that record actually is, and the answer is uncomfortable in a specific and consequential way.

Roughly one active corporation in five, across the federal and Quebec populations measured, has stopped supplying the annual signal from which record currency can be inferred. That population is not confined to enterprises reporting no employees: in the only register examined that carries employment information, the highest default rate belongs to enterprises reporting one to five employees. Once the signal stops, it rarely resumes — cure is concentrated in the first year, and among the corporations that never resumed, dissolution overwhelmingly becomes the observed terminal outcome, without the uncertainty surrounding the record's currency ever being resolved. The register does not disclose any of this to the person querying it. Its one warning flag reports whether the registrar is currently moving against the corporation, not whether the record can be relied on, and it is silent on 95% of the deepest-risk population. And where the divergence runs

between two registers rather than within one, it can survive dissolution itself: an entity can cease to exist in one authoritative government database while another continues to display it as registered.

None of this establishes that the register is generally wrong. Roughly four in five corporations in the measured population are not in filing default — which is not the same as verified current — and a missed filing does not prove that anything about the corporation has changed. What it establishes is the narrower proposition on which the whole of the analysis rests: **a clean registry result is not evidence of currency, because the register offers no means of distinguishing the current record from the stale one.** A validation control built on that source can perform exactly as designed and still reproduce the divergence it exists to catch — establishing consistency between records while establishing nothing about reality. That is the validation paradox, and since October 2025 the interaction it describes is not hypothetical: in prescribed circumstances the Regulations themselves direct the reporting entity to the register, and provide a mechanism for reporting the divergences the comparison surfaces, without establishing either record as definitive.

What changed in March 2026 is that the practical functioning of the reporting entity's programme became an express and independently consequential statutory subject. This report has been careful about what that does and does not mean: effectiveness is not perfection, no institution's workflow has been observed, and the application of s. 9.6(1.1) to registry staleness is a reasoned interpretation rather than settled law. But the direction of the change is not in doubt, and FINTRAC's own enforcement record shows it examining whether controls perform — in its own words, whether they have been tested and tuned for "performance effectiveness" — before the Act made effectiveness an express requirement.

The measured lifecycle. Read as a programme, this series measures one connected process. A growing share of corporations fails at the first recurring obligation (Report 4). The corporation remains publicly active while its record loses currency (Reports 1 and 2). Some cure and many do not; the default population churns rather than pooling (Report 1). Removal arrives by administrative clock or campaign rather than individual assessment (Reports 3 and 7). The deletion of stale records improves the surviving register's appearance without improving any record (Reports 6 and 7). The legal death may fail to propagate to other authoritative systems (Report 10). And downstream users interrogate authoritative sources with no means of distinguishing current information from stale (this report). Canada's corporate-information problem is not principally that its registers lack data. It is that the system does not reliably preserve, signal or propagate the currency of that data across the life of the corporation. A corporation can enter the register, stop supplying information, remain publicly active, be removed years later without curing the missing record, continue to appear elsewhere, and still return a clean result to a downstream validation process. Each component works according to its own rules. The failure occurs between them.

The structural tension this produces is the report's final finding, and it does not resolve in favour of any party. The corporation that fails to file faces an administrative sanction, years later, that corrects nothing. The registry that possesses the compliance-history signal does not publish it. The reporting entity that controls neither is the one examined on the effectiveness of a process that depends on both. **Responsibility for the condition of upstream corporate information and responsibility for the effectiveness of downstream validation do not rest with the same actor — and nothing in the present architecture aligns them.** The

register can say a corporation is there. It cannot say whether that is still true, and it does not say that it cannot say.

Appendix A — Method and reproducibility

Sources and extract dates. Federal figures are computed from Corporations Canada's *Federal Corporations* open dataset: the active-corporations extract retrieved 4–5 August 2026 (642,674 records; latest anniversary date in the data 4 August 2026) and the inactive-or-dissolved extract retrieved 6 August 2026 (820,389 records). Both are published under the Open Government Licence – Canada. Quebec figures are computed from the Registraire des entreprises' open dataset (*Registre des entreprises*, JeuDonnees), generated 1 August 2026, under licence CC BY-NC-SA 4.0; only aggregate statistics are reported and no individual record is reproduced.

Fields relied on. Federal: corporation number, business number, corporate name, status, anniversary date, year of last annual filing, address fields, and province of registered office. The extract carries no filing history — a single year-of-last-filing value — no revenue, and no employment data. Quebec: NEQ, legal form (`COD_FORME_JURI`), registration status (`COD_STAT_IMMAT`), declared employee band (`COD_INTVAL_EMPLO_QUE`), the year of the declaration required (`AN_PROD_PRE`, `AN_DECL`) and the statutorily mandated period-end date (`DAT_LIMIT_PROD_PRE`; see P-44.1, r. 1, s. 1(11)). Values of the year-of-last-filing field greater than 2026 (data-entry artefacts) were treated as null.

Populations. The federal population is corporations governed by the CBCA appearing in the active extract; status categories are as published by Corporations Canada, and "flagged" means the status "Active – Dissolution Pending (non-compliance)". The Quebec population is registered corporations (sociétés par actions): legal form CIE, status IM — 694,339 records. Three further constructions are used and are stated here so that every table can be regenerated. Depth of default is measured from the extract year: a corporation whose last annual filing is recorded for 2024 sits in the 1-to-2-year band, one recorded for 2023 in the 3-year band, and so on. In the post-default trajectory table, “still Active” means the status string “Active” exactly, so a corporation that has filed an intent to dissolve or a discontinuance is counted among other exits rather than among survivors. And the never-filed row of that table is drawn from all active corporations rather than from the anniversary-limited cohort, which is why its flagged count (14,202) exceeds the cohort-limited count reported in the depth table (14,201) by one record.

The default test is a construction, and the construction is stated. A corporation is treated as in filing default where its anniversary date falls on or before 31 December 2024 and it has either never filed an annual return or last filed before 2025. Every headline rate in this report depends on that choice, so two alternative constructions were tested against it:

- a stricter cohort limited to corporations incorporated on or before 31 December 2023, guaranteeing that at least two annual returns had fallen due; and
- a currency test asking whether the corporation has filed for 2026, applied only to corporations whose anniversary had already passed with the 60-day filing window elapsed.

The three constructions converge. The Quebec default test is per-record, against each corporation's own s. 3 deadline as carried in the register; its construction-insensitivity is demonstrated in Section 3. A reader who prefers a different definition can compute it from the same extracts using the fields above.

Cross-register match construction. The 6,822 figure is an exact, unique normalized-name match between federally dissolved-for-non-compliance corporations and Quebec-registered corporations, with every counted pair corroborated by Quebec's own regime-of-constitution code (104 — constituted under the CBCA) and by a constitution date identical, to the day, to the federal incorporation date. Numbered corporations are included, since the number forms part of the legal name and matches exactly or not at all. The match is a lower bound: the two registers share no common identifier, and name changes, re-registrations and accent or punctuation variants defeat matching in an unmeasured number of cases. The full construction is set out in the companion report Banking While Dissolved, Appendix A, and is not varied here. The reverse construction — federal Active records matched against Quebec radiée d'office records on the same name-plus-constitution-date discipline, with a corporation-number join for numbered names — yields 5,897 corporations, reported in Report 10 and recorded at ledger row E9. A further measurement records that 3,266 of the forward-matched corporations (47.9%) filed a Quebec updating declaration within the two years preceding the extract (ledger row E10). The same lower-bound caution applies in every direction.

Address concentration test. Addresses were normalized on street line and postal code (uppercased, non-alphanumerics stripped); records with fewer than six usable characters were excluded, leaving 508,469 cohort corporations. Concentration bands and rates are as reported in Section 4.

Snapshot dependence. Every figure is a state of the register at the extract date. The dissolution and flagging figures in particular will move as the s. 212 process runs.

AI use disclosure. Generative AI tools were used in the preparation of this report for data processing, drafting, and editing. Several distinct AI models were used to cross-review one another’s output—identifying inconsistencies, challenging assumptions, and reducing reliance on any single model.

All research design, methodological choices, interpretations, and conclusions are those of the author.

Every numerical result in this report is the output of executable code run against the cited datasets—not of model generation—and is reproducible using the methods described in this appendix. Statutory provisions and external factual claims were verified against primary sources; residual uncertainty is graded in the confidence register.

AI output was at no point treated as an authoritative source, and the author assumes full responsibility for the integrity of the final report.

Appendix B — Statutory and regulatory table

All provisions verified verbatim against the Justice Laws Website consolidations. PCMLTFA current to 2026-06-21, last amended 2026-03-26. PCMLTFR (SOR/2002-184) current to 2026-06-21, last amended 2026-03-26. AMP Regulations (SOR/2007-292) current to 2026-06-21, last amended 2026-03-26. Amending Acts: Strengthening Canada's Immigration System and Borders Act, S.C. 2026, c. 4 (Bill C-12), and Budget 2025 Implementation Act, No. 1, S.C. 2026, c. 3 (Bill C-15), both assented to 26 March 2026. All provisions re-verified against the consolidations on 2 September 2026.

Table 7 — Statutory and regulatory provisions, with in-force dates

Provision	Subject	Amending instrument	In force
PCMLTFA s. 9.6(1)	Compliance programme "intended to ensure"	Unamended by 2026, c. 4	—
PCMLTFA s. 9.6(1.1)	"Reasonably designed, risk-based and effective"	2026, c. 4, s. 79	26 Mar 2026 — Royal Assent; s. 79 is not among the provisions deferred to order in council by s. 124 of the amending Act
PCMLTFA s. 73.1(2)	Per-violation maxima, person/entity	2026, c. 4, s. 95	26 Mar 2026
PCMLTFA s. 73.1(3), (4)	Cumulative cap; greater of $20M and 3% group gross global revenue	2026, c. 4, s. 95	26 Mar 2026
PCMLTFA s. 73.11(c)	Ability to pay as penalty criterion	2026, c. 4, s. 96	26 Mar 2026
PCMLTFA s. 73.21(1)	Federal Court appeal — serious, very serious, compliance-order violations	2026, c. 4, s. 101	26 Mar 2026
PCMLTFA ss. 73.23(1), 73.24	Violation not an offence; due diligence a defence; common-law justifications and excuses preserved	Unamended by 2026, c. 4	—
PCMLTFR s. 123.1	Ongoing monitoring, "periodically… based on a risk assessment"	—	—
PCMLTFR s. 138(1)–(3), (5)	Directors, 25% owners; accuracy (ss. 138(1)–(3)); not-for-profit determination (s. 138(5)); s. 138(2) mandatory s. 21.303	SOR/2025-68, s. 13 (discrepancy regime); S.C. 2026, c. 3, s. 585 (s. 138(5)(b) wording only)	s. 138(2): 1 Oct 2025 (SOR/2025-68, s. 24(2)); s. 138(5)(b): 26 Mar 2026

	consultation for high-risk CBCA clients		
PCMLTFR s. 138(4)	CEO verification and s. 157 special measures on inability to obtain, keep current, or confirm	—	—
PCMLTFR s. 138.1	Material-discrepancy report to Corporations Canada within 30 days; acknowledgement kept (Sch. Pt 2, items 189.1–189.2, minor)	SOR/2025-68, ss. 14, 23	1 Oct 2025
PCMLTFR Sch. 7	Discrepancy report — beneficial ownership	SOR/2025-68, s. 20	1 Oct 2025
AMP Reg s. 4(2)	Series of minors deemed serious "for the purpose of section 73.21" at $400,000 (threshold raised from $10,000)	2026, c. 4, s. 117	26 Mar 2026
AMP Reg s. 5	Ranges $40,000 / $4M / $20M (prior: $1,000 / $100,000 / $500,000)	2026, c. 4, s. 118	26 Mar 2026
AMP Reg Sch. Pt 1, item 9.1	s. 9.6(1.1) classified very serious	2026, c. 4, s. 119	26 Mar 2026
AMP Reg Sch. Pt 2, items 196–201	s. 9.6(1) programme items raised to very serious	2026, c. 4, s. 120	26 Mar 2026
AMP Reg Sch. Pt 2, items 163, 184–189.2	ss. 123.1, 138 and 138.1 classifications (minor; 187–188 serious)	Untouched by 2026, c. 4 (items 189.1–189.2 added by SOR/2025-68, s. 23)	—
CBCA ss. 21.1(3), 21.21(1)(b), 113(1), 21.303, 212, 209	Corporate-side clocks, public ISC information, administrative dissolution, revival	—	—

Full URLs and retrieval dates held in the verification record; all federal provisions retrieved 8–9 August 2026 and re-verified 2 September 2026.

Appendix C — Negative and abandoned results

Two hypotheses were tested and did not survive, and both are reported here in full, because a report that presents only successful tests should not be trusted.

Address concentration — tested, failed. The structuring hypothesis predicted that defaulting corporations would cluster at shared addresses. The measured gradient is monotonic in the opposite direction, from 1.05× baseline at sole-occupancy addresses to 0.36× at addresses shared by 100 or more corporations. Full table in Section 4.

Filing punctuality — abandoned as untestable at population scale. The hypothesis that filing punctuality deteriorates before default cannot be tested from the bulk data products examined, because neither retains filing history: the federal file carries one year-of-last-filing field and the Quebec file one deposit date, overwritten at each filing. Quebec's per-record document index would in principle permit the test one enterprise at a time; at population scale, it is not accessible. A naive test is available on the Quebec data — comparing the punctuality of current-year filers against enterprises whose last filing was the prior year — and it is reported here only to show why it must not be used: it is fatally right-censored, because at any mid-year extract date the current-year filers are early filers by construction. The apparent 91-day punctuality gap it produces is an artefact of the calendar, not a finding. Earlier working versions of this research described punctuality as "flat before default"; that description could not be reproduced and is withdrawn.

Appendix D — Corporate-side deadlines and transmission channels by jurisdiction

The five jurisdictions measured hold the large majority of Canadian corporations. The remaining nine are not measured (Section 10, limitation 4).

Table 8 — Corporate-side deadlines and transmission channels, five jurisdictions

Jurisdiction	Director change to registrar	Significant-control change	Does a public transmission channel exist?
Federal — CBCA	15 days, s. 113(1)	15 days internal, s. 21.1(3); sent to the Director in 15 days, s. 21.21(1)(b)	**Yes** — prescribed information public, s. 21.303
Quebec — LPLE s. 41 (change); s. 45 (annual)	30 days	30 days	**Yes** — ultimate beneficiary public since 31 March 2023
Ontario — CIA s. 4 / OBCA s. 140.2	15 days	Within 15 days of becoming aware, s. 140.2(4); annual reasonable-steps review, s. 140.2(3)	**No** — register held at the registered office or a place designated by the directors, filed with no one
British Columbia — BCA s. 127; Part 4.1	15 days	30 days; 15 days under enacted amendments not yet in force; plus an annual reasonable-steps review in the two-month window following the anniversary of recognition	**No** — internal transparency register
Alberta — ABCA	15 days	**No register obligation at all.** Alberta is one of three Canadian jurisdictions without corporate transparency register laws (with the Northwest Territories and Nunavut; Yukon's register requirement has been in force since 1 June 2025). A consultation on proposed beneficial-ownership requirements closed 11 September 2025; nothing enacted as at the date of this report	**No**
Reporting entity — PCMLTFR s. 123.1	—	—	**No period prescribed**

Note the British Columbia detail cuts both ways: even the corporation's *periodic* duty — reasonable steps annually, in a defined two-month window — is more specific than the reporting entity's, which names no period at all.

Appendix E — Confidence register

Each proposition is graded on two dimensions rather than one: the **evidence status** — what the claim rests on — and the **inferential status** — how far the claim travels beyond what was directly observed. A proposition can be securely evidenced and still be an inference, and the distinction is one a reader is entitled to make for themselves.

Table 9 — Confidence register

§	Proposition	Evidence status	Inferential status	Confidence
§3	20.02% federal filing default	Reproduced from bulk data	Direct observation	**High**
§3	Ontario-domiciled federal 21.47%; Quebec 18.20%	Reproduced	Direct observation	**High**
§3	48,352 Quebec defaulters with at least one employee	Direct count	Direct observation	**High**
§3	1-to-5 employee band defaults highest, at 20.59% (Quebec)	Rate computed within band	Direct observation	**High**
§4	85.1% of the 2023 pathway cohort dissolved (57.9% of the full cohort)	Reproduced across both registers	Direct observation within the administrative-pathway cohort construction; competing exits (voluntary dissolution, amalgamation, discontinuance) reported separately on the table's face	**High**
§4	93–97% for cohorts 2022 and earlier	Reproduced	Direct observation; 2020–21 affected by the dissolution suspension	**High**
§4	Cure is concentrated in the first year	Cohort-size differential	Supported inference; not a measured rate	**Medium-high**
§4	Filing history cannot be measured at population scale — it is absent from both bulk products, and Quebec's per-record document index is not machine-readable in bulk	Field inventory of the bulk files; Quebec per-record interface characterized on practitioner knowledge	Direct observation as to the bulk products	**High** as to the bulk products

§4	Default is broadly dispersed across addresses; 0.36× at 100+ shared (federal)	Address concentration test, monotonic gradient	Direct observation; interpretation is inference	**High** as computation; **Medium** as interpretation
§5	26.5% flag rate; 4.9% across the 3-to-20 year bands	Reproduced	Direct observation at the extract date	**High**
§5	The dissolution-pending flag reports enforcement activity, not record currency	Data plus the status definition	Strong interpretation	**Medium-high**
§5	6,822 federal dissolutions still registered in Quebec	Normalized-name match	Direct observation, subject to match methodology	**High** as a lower bound
§5	Registry status fields are not interchangeable between jurisdictions: the same word denotes different conditions	Cross-register divergence	Supported inference	**High**
App. D	Significant-control register obligations vary materially across the five jurisdictions measured, from fifteen days with public transmission to no obligation at all	Secondary sources and Alberta's own consultation page; no enacting provision exists to cite	Negative finding	**Medium-high** — a negative is verified by absence; consultation status as at 9 Aug 2026
§1	An unreported corporate change creates a temporal void	Analytical model on the statutory architecture	Analytical proposition	**High** as logic
§4	The default population contains an unobservable share of temporal voids	Filing-signal data	Inference; which defaulters occupy a void cannot be determined from public data	**Medium-high**
§6	Observed cross-register divergence (the 6,822)	Normalized-name match	Direct observation of divergent state information	**High** as a lower bound
§6	The validation paradox flow — a compliant check can return an unreliable answer	Logical model	Analytical proposition; no institutional workflow observed	**High** as logic; **unmeasured** in practice
§7	A registry-dependent control may fail the s. 9.6(1.1) effectiveness requirement	Data plus statutory interpretation	Legal argument	**Medium**
§7	s. 9.6(1.1) can apply independently of file-level violations	Statutory analysis	Legal interpretation	**Medium** — textually grounded, untested

§7	AMP Reg s. 4(2) concerns appeal rights, not quantum	Statutory text and internal reference	Legal interpretation; textually strong, untested	**Medium-high**
§6	6,822 = 5.83% of the 117,002 CBCA-regime registrants on the Quebec register	Direct computation on the match and the regime field	Direct observation; denominator is the matchable population	**High**
App. D	No public significant-control register exists outside the federal and Quebec regimes; BC enacted, not in force	National corporate-transparency tracking literature (Davies; DLA Piper) and practitioner knowledge	Negative claim across jurisdictions; five verified in depth by this report	**Medium-high**
§11	Recommendations 11.1–11.11 (three-responsibility architecture)	Derived from measured findings; regulator-guidance references verified against published FINTRAC guidance; feasibility and cost not assessed	Stated as implications and recommendations; no intervention or institution evaluated; FINTRAC question posed, not answered	Stated as implication
§12	The measured-lifecycle synthesis: one connected process measured across Reports 3–8 (Section 12)	Findings of Reports 1–10 as graded in their own confidence tables	Synthesis only; introduces no new computation; each component claim carries its originating report's grade	Inherits component grades
§9	Reliance need not be binary — record reliability stratifies on observable public metadata (Section 9)	Gradients measured across the series: flag coverage by depth of default (Report 1); age-reliability profile (Report 6); continuum populations (Report 10)	Stated as principle only; no scored model constructed or validated — expressly reserved as future research	Stated as implication
§6	Cross-register divergence is bidirectional and actively renewed	Reproduced from Report 10 (ledger rows E9, E10)	Imported measurement	High

Sources

Federal: Corporations Canada, Federal Corporations open dataset — active extract of 4 August 2026 (642,674 records), inactive-or-dissolved extract of 6 August 2026 (820,389 records) — and 2026 monthly transaction extracts (January–June 2026, March not published); Open Government Licence — Canada. Quebec: Registre des entreprises open dataset via Données Québec, extract of 1 August 2026; CC BY-NC-SA 4.0. Statutes and regulations are cited from the consolidated federal texts; every provision was verified as recorded in Appendix B. Full extract dates, record counts and constructions appear in Appendix A.

Regulatory and external sources: FINTRAC, Modernization and upcoming changes impacting reporting entities (fintrac-canafe.canada.ca/businesses-entreprises/changes-changements-eng; modified 13 April 2026); Administrative monetary penalties: changes following legislative amendments (/pen/3-eng; 6 May 2026); Administrative monetary penalties policy (/pen/2-eng; 6 August 2025); Compliance program requirements, Guide 4 (/guidance-directives/compliance-conformite/guide4/4-eng; 11 October 2024); Guide on harm done assessment for compliance program violations (/pen/guides/cp-eng; 26 August 2019); Beneficial ownership requirements (/guidance-directives/client-clientele/bor-eng; 30 July 2026); Public notice of administrative monetary penalties (/pen/4-eng; 9 July 2026); notices for The Toronto-Dominion Bank (/pen/amps/pen-2024-05-02-eng) and Exchange Bank of Canada (/pen/amps/pen-2024-12-11-eng). Exchange Bank of Canada v. FINTRAC (18 December 2025), T-3341-24 (F.C.), Grammond J., judgment on joint submissions. FATF, Anti-money laundering and counter-terrorist financing measures — Canada, Mutual Evaluation Report (September 2016), Executive Summary. Transparency International Canada, Canadians for Tax Fairness and Publish What You Pay Canada, Canadian Company Data Transparency Index (2022). Canada Revenue Agency, Corporate Statistical Tables (2018 to 2023 tax years), Table 1 (2,747,670 corporations, 2023). OSFI, Annual Report 2021–22 (Guideline B-8 rescinded as of 26 July 2021). Légis Québec, Act respecting the legal publicity of enterprises, CQLR c. P-44.1, ss. 41, 45, 59, 68.1, 98. All read as at 2 September 2026; page content may change.