

Excerpts from Health Professions Act, Sections 103 - 115

2001 c21 s18; 2005 c13 s4(19),(20),(21)

Professional Corporations

Definitions

103 In sections 104 to 115,

- (a) “articles” means articles as defined in the *Business Corporations Act*;
- (b) “registrar” means the registrar of
 - (i) the College of Physicians and Surgeons of Alberta;
 - (ii) the Alberta Dental Association and College;
 - (iii) The College of Chiropractors of Alberta;
 - (iv) the Alberta College of Optometrists;
- (c) “Registrar of Corporations” means the Registrar under the *Business Corporations Act*.

RSA 2000 cH-7 s103; 2005 c13 s4(19),(20),(21)

Professional corporation

104 A regulated member

- (a) of the College of Physicians and Surgeons of Alberta who is a physician, surgeon or osteopath,
- (b) of the Alberta Dental Association and College,
- (c) of The College of Chiropractors of Alberta, or
- (d) of the Alberta College of Optometrists

may provide professional services on behalf of a corporation only if it is a professional corporation that holds an annual permit under this Act, and that professional corporation may only provide the professional services of a regulated member

- (e) of the College of Physicians and Surgeons of Alberta who is a physician, surgeon or osteopath,
- (f) of the Alberta Dental Association and College,
- (g) of The College of Chiropractors of Alberta, or
- (h) of the Alberta College of Optometrists.

RSA 2000 cH-7 s104; 2005 c13 s4(19),(20),(21)

Name

105(1) The name of a professional corporation must meet the requirements of the bylaws.

(2) A professional corporation may provide professional services only under a name that meets the requirements of the bylaws.

1999 cH-5.5 s105

Use of name

106(1) No person shall provide the professional services of a regulated member

- (a) of the College of Physicians and Surgeons of Alberta who is a physician, surgeon or osteopath,
- (b) of the Alberta Dental Association and College,
- (c) of The College of Chiropractors of Alberta, or

(d) of the Alberta College of Optometrists,

within Alberta under any name containing the words “corporation”, “incorporated”, “company”, “limited” or “Professional Corporation” or the abbreviation “Inc.”, “Ltd.” or “P.C.” unless that person is incorporated or continued as a corporation under the *Business Corporations Act* and the corporation holds an annual permit under this Act, or unless otherwise expressly authorized by statute.

(2) A person who contravenes subsection (1) is guilty of an offence and liable to a fine not exceeding \$2000.

RSA 2000 cH-7 s106; 2005 c13 s4(19),(20),(21)

Liability of shareholders

107 Despite anything to the contrary in the *Business Corporations Act* and despite the providing of the professional services of a regulated member

- (a) of the College of Physicians and Surgeons of Alberta who is a physician, surgeon or osteopath,
- (b) of the Alberta Dental Association and College,
- (c) of The College of Chiropractors of Alberta, or
- (d) of the Alberta College of Optometrists,

on behalf of a professional corporation, every voting shareholder of a professional corporation is liable to the same extent and in the same way as if the shareholder were, during that time, carrying on the business of the professional corporation as a partnership or, if there is only one voting shareholder, as an individual providing professional services.

RSA 2000 cH-7 s107; 2005 c13 s4(19),(20),(21)

Approval for professional corporation

108 The registrar may issue an approval of the articles of a proposed professional corporation for the purposes of section 7(2) of the *Business Corporations Act* to a regulated member

- (a) of the College of Physicians and Surgeons of Alberta who is a physician, surgeon or osteopath,
- (b) of the Alberta Dental Association and College,
- (c) of The College of Chiropractors of Alberta, or
- (d) of the Alberta College of Optometrists,

who files an application in the form provided for in the bylaws, submits a copy of the proposed articles and pays all the approval application fees provided for in the bylaws.

RSA 2000 cH-7 s108; 2005 c13 s4(19),(20),(21)

Professional corporation registered

109(1) A regulated member who obtains an approval under section 108 and incorporates the proposed professional corporation under the *Business Corporations Act* may register the professional corporation under this Act if the regulated member

- (a) satisfies the registrar that the individuals who will provide professional services or who will supervise the provision of professional services on behalf of the professional corporation are regulated members of the college,
- (b) satisfies the registrar that the professional corporation is a corporation in good standing with the Registrar of Corporations,
- (c) satisfies the registrar that the professional corporation is not restricted from providing professional services regulated by the college or from carrying out its powers, duties and functions under this Act,
- (d) satisfies the registrar that the name of the corporation meets the requirements of the bylaws,

- (e) satisfies the registrar that the legal and beneficial ownership of all the issued shares of the professional corporation are vested in one or more regulated members of the college and that all of the directors of the corporation are regulated members of the college,
- (f) satisfies the registrar that no shareholder of the professional corporation has entered into a voting trust agreement, proxy or any other type of agreement vesting in another person who is not a regulated member of the same college the authority to exercise the voting rights attached to any or all of the shareholder's shares, and
- (g) submits the permit application fees provided for in the bylaws.

(2) If a registrar is satisfied that subsection (1) has been complied with, the registrar must register the professional corporation, issue an annual permit to the professional corporation, assign a unique registration number to the professional corporation and enter the name of the professional corporation in the record of professional corporations.

1999 cH-5.5 s109

Annual permit

110(1) An annual permit expires on the date provided for in the bylaws.

(2) If a professional corporation to which a unique registration number has been assigned under section 109(2) submits

- (a) an application for an annual permit in the form provided for in the bylaws,
- (b) evidence satisfactory to the registrar that the corporation complies with section 109(1)(a) to (f),
- (c) the information required by the bylaws, and
- (d) the annual permit application fee provided for in the bylaws,

the registrar must issue an annual permit to the professional corporation.

1999 cH-5.5 s110

Voting of shares restrictions

111 No shareholder of a professional corporation shall enter into a voting trust agreement, proxy or any other type of agreement vesting in another person who is not a regulated member of the same college the authority to exercise the voting rights attached to any or all of the shareholder's shares.

1999 cH-5.5 s111

Change in organization

112 A professional corporation must inform the registrar within 15 days in the form provided for in the bylaws of any change in the ownership or directors of the professional corporation or to the name of the professional corporation.

1999 cH-5.5 s112

Record of professional corporations

113(1) A registrar must keep and maintain a record of professional corporations containing the following information with respect to each professional corporation:

- (a) its name and registered head office address;
- (b) the unique registration number issued to the professional corporation;
- (c) the date the annual permit was issued;
- (d) other information required by the bylaws.

(2) The public may, during regular office hours, inquire about the information on the record of professional corporations, and the college must on request provide the information described in subsection (1).

1999 cH-5.5 s113

Cancellation of P.C. permit

114(1) An annual permit may be cancelled by a registrar if sections 104 to 112 are not complied with.

(2) Despite subsection (1), if a professional corporation ceases to comply with section 109(1)(a) and (d) to (f) only because of

- (a) the death of a regulated member, or
- (b) the suspension or cancellation of the registration or practice permit of a regulated member

who is a shareholder of the professional corporation, the professional corporation has 90 days from the date of death, suspension or cancellation in which to comply with section 109(1)(a) and (d) to (f), failing which the annual permit is cancelled on the expiration of the 90 days.

(3) If the practice permit of a regulated member who is a shareholder of a professional corporation is suspended, that member may remain as a shareholder of the professional corporation, but the member may not provide any professional service on behalf of the professional corporation while the practice permit is suspended.

(4) In the event of the death of a regulated member, the council may in writing order that the 90-day period provided for in subsection (1) be extended for a further period that it considers reasonable.

(5) When an annual permit is not applied for, expires or is cancelled, the registrar must record in the record of professional corporations that an annual permit was not applied for or that the annual permit expired or was cancelled.

(6) A registrar shall not remove any information from the record of professional corporations except in accordance with the bylaws.

1999 cH-5.5 s114

Notification of cancelled, expired P.C. permits

115(1) When an annual permit is cancelled, a registrar must notify the Registrar of Corporations and the shareholders of the professional corporation recorded with the registrar.

(2) Thirty days after the date that an annual permit expires, the registrar must notify the Registrar of Corporations that the annual permit has expired.

(3) In addition to the information provided under subsection (1), the registrar may provide information, in accordance with the bylaws, on expired and cancelled annual permits.

1999 cH-5.5 s115