

96. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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Draft Regulation

Professional Code
(R.S.Q., c. C-26)

Chiropractors — Practice of the profession of chiropractor within a partnership or a joint-stock company

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation respecting the practice of the profession of chiropractor within a partnership or a joint-stock company, made by the board of directors of the Ordre des chiropraticiens du Québec, may be submitted to the Government which may approve it, with or without amendment, on the expiry of 45 days following this publication.

The draft Regulation contains specific provisions aimed at governing the terms and conditions under which chiropractors are authorized to practise within a partnership or a joint-stock company, particularly regarding the administration of the partnership or joint-stock company and the holding of shares or units.

In accordance with Chapter VI.3 of the Professional Code, the conditions also include the obligation to take out insurance covering the liability of the partnership or joint-stock company arising from fault on the part of its members, as well as the obligation to provide the Order with the necessary information on the partnership or joint-stock company and to update that information.

The draft Regulation has no impact on enterprises, including small and medium-sized businesses.

Further information may be obtained by contacting Georges Lepage, President of the Ordre des chiropraticiens du Québec, 7950, boulevard Métropolitain Est, Montréal (Québec) H1K 1A1; telephone: 514 355-8540 or 1 800 655-8540; fax: 514 355-2290.

Any person wishing to comment on the draft Regulation is requested to submit written comments within the 45-day period to the Chair of the Office des professions du Québec, 800, place D'Youville, 10^e étage, Québec (Québec) G1R 5Z3. The comments will be forwarded by

the Office to the Minister of Justice and may also be sent to the professional order that made the Regulation and to interested persons, departments and bodies.

JEAN-PAUL DUTRISAC,
*Chair of the Office des
professions du Québec*

Regulation respecting the practice of the profession of chiropractor within a partnership or a joint-stock company

Professional Code
(R.S.Q., c. C-26, s. 93, pars. g and h, and s. 94, par. p)

CHAPTER I PURPOSE

1. Chiropractors may, subject to the terms, conditions and restrictions established in this Regulation, carry on professional activities within a joint-stock company or a limited liability partnership within the meaning of Chapter VI.3 of the Professional Code (R.S.Q., c. C-26).

Chiropractors must at all times ensure that the company or partnership makes it possible for them to respect the Professional Code, the Chiropractic Act (R.S.Q., c. C-16) and all the regulations made thereunder.

2. Chiropractors are authorized to carry on professional activities within a limited liability partnership or joint-stock company if

(1) more than 50% of the voting rights attached to the shares or units of the partnership or joint-stock company are held

(a) by one or more chiropractors;

(b) by a legal person or trust whose voting rights or units are held exclusively by one or more chiropractors; or

(c) by a combination of persons referred to in subparagraphs a and b;

(2) a majority of the directors of the joint-stock company, or the partners or, where applicable, the managers appointed by the partners to manage the affairs of the limited liability partnership, are chiropractors; and

(3) the board of directors of the joint-stock company or the internal management board of the partnership, as the case may be, is comprised of a majority of chiropractors, who constitute the majority of the quorum of such boards at all times.

Chiropractors must ensure that the conditions listed in the first paragraph appear in the articles of the joint-stock company or in the contract of the limited liability partnership and that the documents stipulate that the partnership or joint-stock company is constituted for the purposes of carrying on professional activities.

CHAPTER II OTHER CONDITIONS

DIVISION I TERMS AND CONDITIONS

3. Chiropractors who wish to carry on professional activities within a partnership or joint-stock company referred to in section 1 must, before carrying on the activities, pay a fee of \$50 and provide the secretary of the Order with the following documents:

- (1) the declaration provided for in section 4;
- (2) a written document from a competent authority certifying that the partnership or joint-stock company is covered by security complying with Section II of this Chapter;
- (3) if the chiropractor practises within a joint-stock company, a written document from a competent authority certifying the existence of the joint-stock company;
- (4) if applicable, a certified true copy of the declaration from the competent authority stating that the general partnership was continued as a limited liability partnership;
- (5) a written document certifying that the partnership or joint-stock company is duly registered in Québec;
- (6) a written document certifying that the partnership or joint-stock company has an establishment in Québec; and
- (7) an irrevocable written authorization from the partnership or joint-stock company within which they practise allowing a person, committee, disciplinary body or tribunal referred to in section 192 of the Professional Code to require disclosure of, the obtaining of or a copy of a document listed in section 15 from a person.

4. In addition to what is set out in section 3, chiropractors must send to the secretary of the Order, using the form provided by the Order, a sworn declaration containing

(1) the partnership or joint-stock company name and any other names used in Québec by every partnership or joint-stock company within which the chiropractor practises and the registration number assigned to them by the Inspector General of Financial Institutions;

(2) the legal form of the partnership or joint-stock company;

(3) the address of the head office of the partnership or joint-stock company and the addresses of its establishments in Québec;

(4) the professional activities carried on by the chiropractor within the partnership or joint-stock company;

(5) the chiropractor's name, member number and status within the partnership or joint-stock company;

(6) if the chiropractor practises within a joint-stock company, the names and home addresses of the directors of the joint-stock company;

(7) if the chiropractor practises within a limited liability partnership, the names and home addresses of all the partners domiciled in Québec and, where applicable, the names and home addresses of the managers appointed to manage the affairs of the partnership, whether or not they are domiciled in Québec;

(8) a written document provided by the chiropractor certifying that the shares or units held and the rules of administration of the partnership or joint-stock company satisfy the conditions set out in this Regulation;

(9) the names of the holders of shares or units referred to in subparagraph 1 of the first paragraph of section 2 with the percentage of voting rights held by each shareholder; and

(10) in the case of holders of shares or units referred to in subparagraph *b* of subparagraph 1 of the first paragraph of section 2, a document certifying that the conditions of that subparagraph are satisfied.

5. If two or more chiropractors carry on professional activities within a partnership or joint-stock company, a representative must satisfy the conditions set out in sections 3 and 4 on behalf of all the chiropractors in the partnership or joint-stock company. The representative is designated by all the chiropractors to reply to requests made by the syndic, an inspector, an investigator or any other representative of the Order and to submit, where applicable, the documents that the chiropractors are required to submit.

The representative must be a chiropractor and a partner or a director or shareholder of the joint-stock company with voting rights.

Except for the information provided for in paragraphs 4 and 5 of section 4, the representative must ensure the accuracy of the information given in the declaration.

6. A chiropractor is exempt from satisfying the conditions set out in sections 3 and 4 if a chiropractor or a representative of the partnership or joint-stock company within which the chiropractor is to practise has already satisfied those conditions.

7. Not later than 31 March of each year, the documents provided for in paragraphs 2, 3, 5 and 6 of section 3 and the declaration referred to in section 4 must be updated by the chiropractor or the representative using the form provided by the Order and accompanied by updating fees of \$50.

8. If any of the terms, conditions or restrictions provided for in this Regulation or covered by Chapter VI.3 of the Professional Code is no longer met, the chiropractor must, within 15 days after he or she is notified of the non-compliance by the secretary of the Order, take the necessary measures to comply, failing which, the chiropractor is no longer authorized to practise the profession within the partnership or joint-stock company.

9. If a chiropractor is struck off the roll for a period in excess of three months, he or she may not, during the period of the striking off, directly or indirectly hold any units in a partnership or shares in a joint-stock company.

During that period, the chiropractor may not hold the position of director, officer or representative of the partnership or joint-stock company.

10. Chiropractors or their representative must immediately inform the Order of the cancellation of the insurance coverage required by Section II, the striking off the roll, dissolution, assignment of property, bankruptcy, voluntary or forced liquidation of the partnership or joint-stock company or any other cause likely to prevent the partnership or joint-stock company from carrying on its activities and any change in the information given in the declaration that is contrary to the conditions set out in section 2.

DIVISION II PROFESSIONAL LIABILITY COVERAGE

11. To be authorized to practise in accordance with this Regulation, chiropractors who carry on professional activities within a partnership or joint-stock company referred to in section 1 must furnish and maintain secu-

rity on behalf of the partnership or joint-stock company by means of an insurance or suretyship contract or by joining a group insurance contract entered into by the Order, or by contributing to a professional liability insurance fund established in accordance with section 86.1 of the Professional Code, against the liability of the partnership or joint-stock company arising from fault or negligence on the part of the chiropractors in the practice of the profession within the partnership or joint-stock company in Québec.

12. The following minimum conditions for the security must be set out in the contract or a specific rider:

(1) an undertaking by the insurer or surety to pay in lieu of the partnership or joint-stock company, over and above the minimum amount of the security to be furnished by the chiropractor pursuant to the Regulation respecting professional liability insurance of the Ordre des chiropraticiens du Québec (c. C-16, r. 3), up to the amount of the security, any sum that the partnership or joint-stock company may be legally bound to pay to an injured third person on a claim filed during the coverage period and arising from fault or negligence on the part of the chiropractor in the practice of the profession within the partnership or joint-stock company;

(2) an undertaking by the insurer to take up the cause of any person entitled to the benefit of the security and to defend him or her in any lawsuit covered by the security and to pay, in addition to the amounts covered by the security, all costs and expenses of any lawsuit covered by the security, including the costs and expenses of the investigation and defence and interest on the amount of the security;

(3) an undertaking that the security extends to all claims submitted in the 5 years following the coverage period during which a chiropractor of the partnership or joint-stock company has died, withdrawn from the partnership or joint-stock company or ceased to be on the roll of the Order, in order to maintain coverage for the partnership or joint-stock company for fault or negligence on the part of the chiropractor in the practice of the profession within the partnership or joint-stock company;

(4) an amount of at least \$1,000,000 per claim and \$3,000,000 for all claims filed against the partnership or joint-stock company during a 12-month coverage period; and

(5) an undertaking by the insurer or surety to provide the secretary of the Order with a 30-day notice of intent to cancel the security, to amend a condition of this section or not to renew the security.

13. The bank, savings and credit union, trust or insurance company that provides the coverage required by section 12 must be domiciled in Canada and maintain sufficient property in Québec to meet the coverage. It must also waive the benefit of division and discussion.

DIVISION III ADDITIONAL INFORMATION

14. Chiropractors who already carry on professional activities at the time a joint-stock company referred to in section 1 is constituted or a general partnership is continued as a limited liability partnership must, within 15 days after the date of the constitution or continuation, send a notice to their clients whose records are pending, informing them of the nature and effects of the change of status of the partnership or joint-stock company, in particular with respect to the chiropractor's professional liability and that of the partnership or joint-stock company. The notice may be sent to the clients or published in a newspaper having circulation in the place where the partnership or joint-stock company carries on its activities.

15. The documents that may be required pursuant to paragraph 7 of section 3 are the following:

(1) if the chiropractor practises within a joint-stock company,

(a) the up-to-date register of the articles and by-laws of the joint-stock company;

(b) the up-to-date register of the securities of the joint-stock company;

(c) the up-to-date register of the directors of the joint-stock company;

(d) any shareholders' agreement and voting agreement and amendments;

(e) the declaration of registration of the joint-stock company and any update; and

(f) the names and home addresses of the company's principal officers;

(2) if the chiropractor practises within a limited liability partnership,

(a) the declaration of registration of the partnership and any update;

(b) the partnership contract and amendments;

(c) the up-to-date register of the partners;

(d) where applicable, the up-to-date register of the managers; and

(e) the names and home addresses of the partnership's principal officers.

CHAPTER III FINAL PROVISION

16. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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