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chapter M-8, r. 12

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

Veterinary Surgeons Act (chapter M-8, s. 3).

Professional Code (chapter C-26, s. 94, 1st par., subpar. *p*).

O.C. 688-2008; S.Q. 2024, c. 31, s. 80.

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DIVISION I

TERMS AND CONDITIONS OF PRACTICE

- 1. Veterinary surgeons may carry on their professional activities within a limited liability partnership or a joint-stock company within the meaning of Chapter VI.3 of the Professional Code (chapter C-26) if, at all times,
- (1) 100% of the voting rights attached to the shares or units of the partnership or joint-stock company are held
 - (a) by veterinary surgeons;
- (b) by legal persons, trusts or other enterprises whose voting rights attached to the shares or units of the partnership or joint-stock company or other securities are held entirely by at least one veterinary surgeon; or
 - (c) by a combination of the persons, trusts or other enterprises referred to in subparagraphs a and b;
 - (2) in the case of a joint-stock company, all the non-voting shares are held
 - (a) by veterinary surgeons;
- (b) by relatives of or persons connected by marriage to a veterinary surgeon holding shares referred to in subparagraph 1;
 - (c) by the spouse of a veterinary surgeon holding shares referred to in subparagraph 1;
 - (d) by an employee of the joint-stock company;
- (e) by legal persons, trusts or other enterprises whose voting rights attached to the shares or units of the partnership or joint-stock company or other securities are held entirely by a person referred to in subparagraph a, b, c or d; or
 - (f) by a combination of the persons, trusts or other enterprises referred to in subparagraph a, b, c, d or e;
- (3) no manufacturer or wholesaler of medications or food for animals and no person holding the majority of the shares of such a manufacturer or wholesaler holds shares or units of the partnership or joint-stock company;
- (4) the majority of the directors of the board of directors of the joint-stock company or the directors of the limited liability partnership are veterinary surgeons. To constitute a quorum at a meeting of the directors of a partnership or joint-stock company, the majority of the members present must be veterinary surgeons if they are to commit the partnership or joint-stock company;
- (5) the chair of the board of directors of the joint-stock company or the person who performs similar duties within a limited liability partnership is a veterinary surgeon and, as the case may be, a voting shareholder or a partner; and
- (6) only a veterinary surgeon is granted, by voting agreement or proxy, the voting rights attached to a share or unit held by a veterinary surgeon or by a legal person, a trust or other enterprise referred to in subparagraph b of subparagraph 1 of the first paragraph.

Veterinary surgeons must ensure that the conditions set out in the first paragraph appear in the articles of constitution of the joint-stock company or in the contract constituting the limited liability partnership and that the documents stipulate that the partnership or joint-stock company is constituted for the purpose of carrying on professional activities.

O.C. 688-2008, s. 1.

2. If a veterinary surgeon is struck off the roll for a period in excess of 3 months or has had his or her permit revoked, the veterinary surgeon may not, during the period of the striking off or revocation, directly or indirectly hold any units in a partnership or shares in a joint-stock company referred to in section 1.

O.C. 688-2008, s. 2.

- **3.** To be able to carry on professional activities within a partnership or joint-stock company referred to in section 1, a veterinary surgeon must, before beginning to practise, provide the secretary of the Order with
- (1) a written document from a competent authority certifying that the partnership or joint-stock company is covered by security in compliance with Division III;
- (2) a written document from a competent authority certifying the existence of the joint-stock company, if the veterinary surgeon carries on professional activities within a joint-stock company;
- (3) where applicable, a certified true copy of the declaration from the competent authority attesting to the continuance of the general partnership as a limited liability partnership;
- (4) a written document certifying that the partnership or joint-stock company is duly registered in Québec;
- (5) a written document certifying that the partnership or joint-stock company has an establishment in Québec;
- (6) an irrevocable written authorization from the partnership or joint-stock company within which the veterinary surgeon practises allowing a person, committee, disciplinary body or tribunal referred to in section 192 of the Professional Code (chapter C-26) to obtain from a person any document listed in section 13 or a copy of such a document; and
 - (7) the sworn declaration referred to in section 4, along with a fee of \$150.

O.C. 688-2008, s. 3.

- **4.** A veterinary surgeon must make a sworn declaration on the form provided by the Order, 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 veterinary surgeon practises and the business number assigned to them by the competent authority;
 - (2) the legal form of the partnership or joint-stock company;
- (3) if the veterinary surgeon practises within a joint-stock company, the address of the head office of the joint-stock company and of its establishments in Québec, and the names and home addresses of the directors and officers of the joint-stock company;
- (4) if the veterinary surgeon practises within a limited liability partnership, the address of the establishments of the partnership in Québec, specifying the address of the principal establishment, the names and home addresses of all the partners and, where applicable, the names and addresses of the directors appointed by the partners to manage the affairs of the partnership;
- (5) the veterinary surgeon's name, home address and professional domicile and status within the partnership or joint-stock company; and
- (6) a written document by the veterinary surgeon certifying that the shares or units held and the rules of administration of the partnership or joint-stock company are in conformity with the conditions set out in this Regulation.

O.C. 688-2008, s. 4.

5. A veterinary surgeon must

- (1) update and provide the Order, before 31 March of each year, with the sworn declaration sent pursuant to section 4, along with a fee of \$100; and
- (2) promptly notify the Order of any change in the security required by Division III or in the information given in the declaration sent pursuant to section 4 that may affect compliance with the conditions set out in this Regulation.

O.C. 688-2008, s. 5.

6. A veterinary surgeon immediately ceases to be authorized to practise within a partnership or joint-stock company if the veterinary surgeon no longer satisfies the conditions set out in this Regulation or in Chapter VI.3 of the Professional Code (chapter C-26).

O.C. 688-2008, s. 6.

DIVISION II

REPRESENTATIVE

7. Where 2 or more veterinary surgeons carry on their professional activities within the same partnership or joint-stock company, a representative must be designated to act on behalf of all the veterinary surgeons carrying on their professional activities within the partnership or joint-stock company to satisfy the terms and conditions in sections 3 to 5.

The representative must ensure the accuracy of the information given in the declaration, except the information referred to in paragraph 5 of section 4.

The representative is also mandated by the veterinary surgeons carrying on their professional activities within the partnership or joint-stock company to reply to requests made, pursuant to this Regulation, by the syndic, an inspector, an investigator or any other representative of the Order and provide, where applicable, documents the veterinary surgeons are required to submit.

O.C. 688-2008, s. 7.

8. The representative must be a veterinary surgeon who is either a partner or a company director and a voting shareholder.

O.C. 688-2008, s. 8.

9. A veterinary surgeon is exempt from satisfying the terms and conditions in sections 3 to 5 if the representative of the partnership or joint-stock company within which the veterinary surgeon practises has already satisfied the conditions.

O.C. 688-2008, s. 9.

DIVISION III

PROFESSIONAL LIABILITY COVERAGE

10. To be authorized to practise in accordance with this Regulation, a veterinary surgeon must furnish and maintain security on behalf of the partnership or joint-stock company by means of an insurance or suretyship contract or by joining a group plan 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 (chapter C-26),

against liabilities of the partnership or joint-stock company arising from fault or negligence on the part of the members practising within the partnership or joint-stock company.

O.C. 688-2008, s. 10.

- 11. The following minimum conditions for the security must be set out in a specific rider or contract:
- (1) an undertaking by the insurer or surety to pay in lieu of the partnership or joint-stock company, over and above the amount of the security to be furnished by the veterinary surgeon pursuant to the Regulation respecting professional liability insurance for veterinary surgeons (chapter M-8, r. 3), or any other coverage taken out by the member if it is greater, up to the amount of the security, any sum that the partnership or joint-stock company may be legally bound to pay to a third person on a claim filed during the coverage period and arising from fault or negligence on the part of the veterinary surgeon in the practice of the profession;
- (2) an undertaking by the insurer or surety to take up the cause of the partnership or joint-stock company and defend it in any action against it and to pay, in addition to the amounts covered by the security, all legal costs and expenses of actions against the partnership or joint-stock company, including those of the inquiry and defence and interest on the amount of the security;
- (3) an undertaking by the insurer or surety that the security extends to all claims submitted in the 5 years following the coverage period during which a member of the partnership or joint-stock company dies, withdraws from the partnership or joint-stock company or ceases to be a veterinary surgeon, in order to maintain coverage for the partnership or joint-stock company for fault or negligence on the part of that member while practising the profession within the partnership or joint-stock company;
- (4) a stipulation of an amount of at least \$1,000,000 per claim 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 insurance or suretyship contract, to amend a condition set out in this section or not to renew the contract.

O.C. 688-2008, s. 11; I.N. 2016-01-01 (NCCP).

DIVISION IV

ADDITIONAL INFORMATION

12. On a general partnership being continued as a limited liability partnership, or a joint-stock company or limited liability partnership being constituted, a veterinary surgeon must, within 15 days of the occurrence, ensure that the partnership or joint-stock company so notifies its clients.

The notice must specify, in general terms, the effects of the continuation or constitution, in particular as regards the veterinary surgeon's professional liability

O.C. 688-2008, s. 12.

- **13.** The documents that may be required pursuant to paragraph 6 of section 3 are the following:
 - (1) if the veterinary surgeon carries on professional activities 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 shares 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 complete and up-to-date list of the names and home addresses of the company's principal officers;
- (2) if the veterinary surgeon carries on professional activities within a limited liability partnership,
- (a) the declaration of registration of the partnership and any update;
- (b) the partnership agreement, and amendments;
- (c) the up-to-date register of the partners;
- (d) where applicable, the up-to-date register of the directors; and
- (e) the complete and up-to-date list of the names and home addresses of the partnership's principal officers.

O.C. 688-2008, s. 13.

DIVISION V

INCOME

14. If a veterinary surgeon practises within a partnership or joint-stock company, the income derived from professional services performed by the veterinary surgeon within and on behalf of the partnership or joint-stock company belong to it, unless agreed otherwise.

O.C. 688-2008, s. 14.

DIVISION VI

FINAL

15. (*Omitted*).

O.C. 688-2008, s. 15.

UPDATES 20

O.C. 688-2008, 2008 G.O. 2, 2909

S.Q. 2024, c. 31, s. 80