

Professional Incorporation

Information for registrants of
the College of Physiotherapists of Ontario
applying for professional incorporation



College of Physiotherapists of Ontario



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Relevant statutes, regulations and bylaws related to incorporation

Frequently Asked Questions

Application and renewal forms are available on the College website.

For more information, contact:

Entry to Practice

College of Physiotherapists of Ontario

Email: ptyagi@collegept.org

Telephone: 416-591-3828 or 1-800-583-5885, extension 230

Website: www.collegept.org

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As a result of amendments to the *Regulated Health Professions Act* (RHPA) (including regulations), the *Health Professions Procedural Code* and the *Business Corporations Act* (BCA), regulated health professionals are now permitted to incorporate for the purpose of practising a health profession, providing they obtain certificates of authorization from their respective health profession Colleges.¹ The new provisions outline the conditions and requirements that must be met in order to obtain a certificate of authorization from a College, and include:

- all of the issued and outstanding shares of the corporation shall be legally and beneficially owned, directly or indirectly, by one or more members of the same profession, who hold a certificate of registration issued by the College;
- all officers and directors of the corporation must be shareholders of the corporation;
- the articles of the professional corporation must provide that the corporation cannot carry on a business other than the practice of the profession governed by the College and activities related to or ancillary to the practice of the profession;
- the name of the corporation must include the words "Professional Corporation" or "Société professionnelle" and comply with the rules respecting the names of professional corporations set out in the regulations and with the rules respecting names set in the regulations or by-laws under the Act governing the profession.

In order to obtain an initial² certificate of authorization from the College, a corporation must complete and submit to the College an application in a form approved by the College, along with certain information and documents as required by regulation. There are four sections which must be completed. You may wish to refer to section 3.2 of the BCA and Ontario Regulation 39/02 under the *Regulated Health Professions Act*, "Certificates of Authorization" (the regulation) which are appended to this Guide.

SECTION A - NAME AND ADDRESS OF CORPORATION

Corporate Name

The name of the corporation must meet the requirements set out in section 3.2 of the *Business Corporations Act* and the regulation as follows:

- the corporation shall not have a number name;
- the corporate name must include the words "Professional Corporation" or "Société professionnelle";

¹Ontario Regulation 39/02 under the *Regulated Health Professions Act*, "Certificates of Authorization", s (1).

²For annual renewal of Certificate of Authorization see section on Renewals in this Guide.

- the corporate name must include the surname of one or more shareholders of the corporation as the surname is set out in the College register;
- the corporate name may also include the shareholder's given name, one or more of the shareholder's initials or a combination of his or her given name and initials;
- the corporate name must indicate the health profession practised by the shareholders;
- the corporate name must **not** include any information other than that permitted or required under the *Business Corporations Act* or the regulation as outlined above;³
- the corporate name must not violate the provisions of any other Act.

Practice Name

If the practice name is different from the **corporate** name, provide the name under which the corporation practices.

Business Address of the Corporation

This must be the actual **corporate** address of the corporation and not the address of the corporation's legal counsel.

Please note that any changes to information in Section A must be provided to the Registrar in writing within 30 days of the change. (See Appendix III)

SECTION B - APPLICANT DECLARATION

Complete each statement in this section as directed on the form, noting the following:

1. The individual applying for a certificate of authorization on behalf of the corporation must hold a current certificate of registration with the College and be a director of the corporation.
2. Each shareholder of the corporation must hold a current certificate of registration issued by the College.
3. Each director and officer must be a shareholder of the corporation.
4. The director applying on behalf of the corporation must sign and date the application.
5. The following documentation must accompany the application for a certificate of authorization:
 - The fee for the certificate of authorization of \$675 (Fee change, effective April 1, 2007: \$700);
 - An Undertaking dated and signed by each shareholder of the corporation;
 - The statutory declaration of a director of the corporation executed not more than 15 days before the application is submitted;
 - A certificate of status of the corporation issued by the Ministry of Government Services not more than 30 days before the application is submitted to the Registrar, which indicates that the corporation is active;

³O. Reg 39/02, s. (2) - (5).

- A certified copy of the certificate of incorporation of the corporation (including the Articles of Incorporation);
- A certified copy of every Certificate of Incorporation the corporation that has been endorsed under the *Business Corporations Act* as of the day the application is submitted (if applicable).

SECTION C - UNDERTAKING

Each shareholder of the corporation must sign and date Section C, the Undertaking, which is to be submitted with the application for a certificate of authorization. Note that each shareholder must be listed in the application and must hold a current certificate of registration issued by the College. Photocopies may be made of the Undertaking so that one is supplied to each shareholder individually.

SECTION D - STATUTORY DECLARATION

The statutory declaration must be completed by a director of the corporation and sworn before a commissioner for taking affidavits in Ontario. The statutory declaration cannot be executed more than 15 days before the application is submitted to the Registrar.

RENEWAL

The certificate of authorization must be renewed on the anniversary date of the initial registration. The annual renewal application form is available on the College website www.collegept.org or by contacting the College at ptyagi@collegept.org. An annual renewal fee of \$575 (Fee change, effective April 1, 2007: \$600) will apply.

SUBMISSION OF THE APPLICATION

The application for a certificate of authorization must be submitted to the Registrar of the College, along with the required supporting documentation and fee to the following address:

College of Physiotherapists of Ontario

375 University Ave., Suite 901, Toronto, ON M5G 2J5

Attention: Entry to Practice

APPENDIX I

Section 3.2 of the *Business Corporations Act*

Application of Act

3.2 (1) This Act and the regulations apply with respect to a professional corporation except as otherwise set out in this section and sections 3.1, 3.3 and 3.4 and the regulations. 2000, c. 42, Sched., s. 2.

Conditions for professional corporations

(2) Despite any other provision of this Act, a professional corporation shall satisfy all of the following conditions:

1. All of the issued and outstanding shares of the corporation shall be legally and beneficially owned, directly or indirectly, by one or more members of the same profession.
2. All officers and directors of the corporation shall be shareholders of the corporation.
3. The name of the corporation shall include the words "Professional Corporation" or "Société professionnelle" and shall comply with the rules respecting the names of professional corporations set out in the regulations and with the rules respecting names set out in the regulations or by-laws made under the Act governing the profession.
4. The corporation shall not have a number name.
5. The articles of incorporation of a professional corporation shall provide that the corporation may not carry on a business other than the practice of the profession but this paragraph shall not be construed to prevent the corporation from carrying on activities related to or ancillary to the practice of the profession, including the temporary investment of surplus funds earned by the corporation. 2000, c. 42, Sched., s. 2.

Corporate acts not invalid

(3) No act done by or on behalf of a professional corporation is invalid merely because it contravenes this Act. 2000, c. 42, Sched., s. 2.

Voting agreements void

(4) An agreement or proxy that vests in a person other than a shareholder of a professional corporation the right to vote the rights attached to a share of the corporation is void. 2000, c. 42, Sched., s. 2.

Unanimous shareholder agreements void

(5) A unanimous shareholder agreement in respect of a professional corporation is void unless each shareholder of the corporation is a member of the professional corporation.

APPENDIX II

ONTARIO REGULATION 39/02
made under the
Regulated Health Professions Act, 1991
CERTIFICATES OF AUTHORIZATION

Eligibility

1. (1) A corporation is eligible to hold a certificate of authorization issued by a College if all the following conditions are met:
 1. The articles of the corporation provide that the corporation cannot carry on a business other than the practice of the profession governed by the College and activities related to or ancillary to the practice of that profession.
 2. Each shareholder of the corporation holds a certificate of registration issued by the Registrar of the College.
 3. The name of the corporation meets the standards described in subsections (2) to (5). O. Reg. 39/02, s. 1 (1).
- (2) The name of the corporation must meet the requirements in section 3.2 of the *Business Corporations Act* and must not violate the provisions of any other Act. O. Reg. 39/02, s. 1 (2).
- (3) The name of the corporation must include the surname of one or more shareholders of the corporation, as the surname is set out in the College register, and may also include the shareholder's given name, one or more of the shareholder's initials or a combination of his or her given name and initials. O. Reg. 39/02, s. 1 (3).
- (4) The name of the corporation must indicate the health profession practised by the shareholders. O. Reg. 39/02, s. 1 (4).
- (5) The name of the corporation must not include any information other than the information permitted or required by subsections (2), (3) and (4). O. Reg. 39/02, s. 1 (5).

Issuance of certificate

2. (1) A College shall issue a certificate of authorization to a corporation in respect of a particular profession if the corporation is eligible to hold one and applies for the certificate by giving the following information and documents to the Registrar:
 1. A completed application in a form approved by the College.
 2. The application fee required by the by-laws of the College.
 3. A certificate of status of the corporation issued by the Ministry of Government Services not more than 30 days before the application is submitted to the Registrar, which indicates that the corporation is active.

4. A certified copy of the certificate of incorporation of the corporation.
5. A certified copy of every certificate of the corporation that has been endorsed under the *Business Corporations Act* as of the day the application is submitted.
6. The statutory declaration of a director of the corporation, executed not more than 15 days before the application is submitted to the Registrar, certifying,
 - i. that the corporation is in compliance with section 3.2 of the *Business Corporations Act* as of the date the statutory declaration is executed,
 - ii. that the corporation does not carry on, and does not plan to carry on, any business that is not the practice of the profession governed by the College or activities related to or ancillary to the practice of that profession,
 - iii. that there has been no change in the status of the corporation since the date of the certificate of status referred to in paragraph 3, and
 - iv. that the information contained in the application is complete and accurate as of the day the statutory declaration is executed.
7. The name of each person who is a shareholder of the corporation as of the day the application is submitted and his or her business address, business telephone number and registration number with the College as of that day.
8. The names of the directors and the officers of the corporation as of the day the application is submitted.
9. The address of the premises at which the corporation carries on activities as of the day the application is submitted. O. Reg. 39/02, s. 2 (1).

(2) A College may issue a revised certificate of authorization to a corporation if the corporation changes its name after the certificate of authorization has been issued to it. O. Reg. 39/02, s. 2 (2).

Refusal to issue

3. The College shall refuse to issue a certificate of authorization if the corporation is not eligible to hold one or if the corporation does not comply with section 2. O. Reg. 39/02, s. 3.

Duty to notify College

4. (1) If a corporation that holds a certificate of authorization changes its name or its articles of incorporation, the corporation shall promptly notify the College and give the College a copy of a certificate of the corporation that has been endorsed under the *Business Corporations Act* indicating the change.
O. Reg. 39/02, s. 4 (1).

- (2) A corporation ceases to be eligible to hold a certificate of authorization if the corporation fails to notify the College when the corporation changes its name or its articles of incorporation or fails to give the College the certificate described in subsection (1). O. Reg. 39/02, s. 4 (2).

Annual renewal of certificate

5. The College shall renew a certificate of authorization for a corporation in respect of a particular profession on an annual basis if the corporation applies for the renewal by giving the following information and documents to the Registrar:

1. A completed application for renewal in a form approved by the College.
2. The annual renewal fee required by the by-laws of the College.
3. A certificate of status of the corporation issued by the Ministry of Government Services not more than 30 days before the day it is submitted to the Registrar, which indicates that the corporation is active.
4. A certified copy of every certificate of the corporation that has been endorsed under the *Business Corporations Act* since the corporation's most recent application for a certificate of authorization or for renewal of its certificate of authorization.
5. The statutory declaration of a director of the corporation, executed not more than 15 days before the application for renewal is submitted to the Registrar, certifying,
 - i. that the corporation is in compliance with section 3.2 of the *Business Corporations Act* as of the date the statutory declaration is executed,
 - ii. that the corporation does not carry on, and does not plan to carry on, any business that is not the practice of the profession governed by the College or activities related to or ancillary to the practice of that profession,
 - iii. that there has been no change in the status of the corporation since the date of the certificate of status referred to in paragraph 3, and
 - iv. that the information contained in the application for renewal is complete and accurate as of the date the statutory declaration is executed.
6. The name of each person who is a shareholder of the corporation as of the day the application for renewal is submitted and his or her business address, business telephone number and registration number with the College as of that day.
7. The names of the directors and the officers of the corporation as of the day the application for renewal is submitted.
8. The address of the premises at which the corporation carries on activities as of the day the application for renewal is submitted. O. Reg. 39/02, s. 5.

Revocation of certificate

6. (1) The following are the grounds upon which a corporation's certificate of authorization may be revoked:
 1. The corporation ceases to be eligible to hold a certificate of authorization.
 2. The corporation ceases to practise the profession in respect of which the certificate of authorization was issued.
 3. The corporation fails to comply with one or more of the requirements for a renewal of the certificate.
 4. The corporation carries on any business that is not the practice of the profession governed by the College or activities related to or ancillary to the practice of that profession.
 5. The corporation fails to notify the Registrar of a change in shareholders in accordance with section 85.9 of the Code. O. Reg. 39/02, s. 6 (1).
- (2) If the College proposes to revoke a corporation's certificate of authorization, the College shall give notice of the proposed revocation, setting out the date the revocation will take effect and the grounds for the proposed revocation. O. Reg. 39/02, s. 6 (2).
- (3) The College shall revoke the corporation's certificate of authorization 60 days after the date on which the notice is given if any of the grounds for revocation exist on the revocation date specified in the notice. O. Reg. 39/02, s. 6 (3).
- (4) The College shall notify the corporation if a corporation's certificate of authorization is revoked. O. Reg. 39/02, s. 6 (4).

Reinstatement after revocation

7. If a corporation's certificate of authorization is revoked, a new certificate of authorization may be issued to the corporation only if the corporation is eligible to hold one and applies for a new certificate in accordance with section 2. O. Reg. 39/02, s. 7.

By-laws Related to Incorporation

Part 9. Professional Corporations

The Register

45. (1) Every member of the College shall, for every professional corporation of which the member is a shareholder, provide in writing the following information on the application and annual renewal forms for a certificate of authorization, upon the written request of the Registrar within 30 days and upon any change in the information within 30 days of the change:
- (a) the name of the professional corporation as registered with the Ministry of Government Services,
 - (b) any business names used by the professional corporation,
 - (c) the name, as set out in the register, and registration number of each shareholder of the professional corporation,
 - (d) the name, as set out in the register, of each officer and director of the professional corporation, and the title or office held by each officer and director,
 - (e) the principal practice¹ address, telephone number, facsimile number and email address of the professional corporation,
 - (f) the address and telephone number of all other locations², other than residences of clients, at which the professional services offered by the professional corporation are provided, and
 - (g) a brief description of the professional activities carried out by the professional corporation.
- (2) The information specified in subsection (1) is designated as public for the purposes of paragraph 4 of subsection 23(3) of the *Health Professions Procedural Code*.

Fees

- 46 (1) The fee for application for a Certificate of Authorization, including on any reinstatement of a Certificate of Authorization, for professional corporation is \$675 (Fee change, effective April 1, 2007: \$700).
- (2) The fee for the annual renewal of a Certificate of Authorization is \$575 (Fee change, effective April 1, 2007: \$600).
- (3) A professional corporation or a member listed in the College's records as a shareholder of a professional corporation shall pay an administrative fee of \$50 for each notice sent by the Registrar to the corporation or member for failure of the corporation to renew its certificate of authorization on time. The fee is due within 30 days of the notice being sent.
- (4) The fee for the issuing of a document or certificate respecting a professional corporation, other than the first certificate of authorization or one annual renewal of a certificate of authorization, is \$25.

¹Or "head office".

² Or "of the major location or locations".

FREQUENTLY ASKED QUESTIONS

Introduction

These questions and the answers to them are intended as general guidance to the most commonly discussed issues relating to professional corporations. The responses are not legal advice and are not intended as such. For more detailed information on professional corporations, readers should review the relevant statutes and regulations provided in this document and consult with independent legal or financial advisors.

General

1. **Should I set up my practice as a professional corporation?**

The decision whether or not to set up your practice as a professional corporation will depend on a number of factors including the nature of your practice, with whom you practice, your personal financial circumstances and the financial circumstances of your practice. All these factors must be considered in light of the advantages and disadvantages of the professional corporation model.

In most cases, it is advisable to obtain advice on these matters from professionals skilled in assessing financial circumstances and the legal aspects of corporations. The College recommends that you discuss your plans for professional incorporation with your accountant or your lawyer before proceeding.

2. **What are the advantages and disadvantages of setting up my practice as a professional corporation?**

As noted above, advantages and disadvantages of setting up your practice as a professional corporation will depend to a large degree on your personal circumstances as well as the circumstances of your practice.

Generally speaking, the College understands that much of the benefit of the professional corporation relates to the way corporations are taxed. However, it should be noted that the restricted ownership structure of the professional corporation may negate some of these benefits. As such the College recommends that you discuss your plans for professional incorporation with your accountant or your lawyer before proceeding.

3. **What is the difference between a professional corporation and a practice management corporation?**

While both are corporations, the rules that stipulate their ownership structures and the activities that they can undertake are different.

Professional Corporations

The shareholders of professional corporations must all be members of the same health regulatory college as must all the officers and directors of the professional corporation. Further, the only business that a professional corporation is permitted to undertake is the practice of the profession and activities that are related to or ancillary to the practice of the profession. This includes the temporary investment of surplus funds earned by the corporation.

Every professional corporation is also required to obtain a certificate of authorization from the college of its members before it is permitted to conduct its business.

Practice Management Corporations

In contrast, the ownership rules of corporations that manage practices are more relaxed. Members of different health professions, non-health professionals and even family members can be shareholders as well as officers or directors. In terms of the kinds of business that these corporations can undertake, there are relatively few restrictions on their activities.

However, corporations that manage practices **are not permitted** to practice any regulated health profession and the shareholders of these corporations **are not permitted** to practice their regulated health profession through the corporation. Note that this does not mean that regulated health professionals cannot work for corporations – rather it means that when they are working for a corporation, they, rather than the corporation, is practicing.

Because these corporations are not permitted to practice a regulated health profession, they are not required to register with the college or colleges of their shareholders.

- 4. My colleagues and I, some of whom are members of other health professions, have set up a corporation to manage our clinic. Do we have to register our corporation with the College and obtain a certificate of authorization?**

As noted previously, there are differences between professional corporations and those that manage practices. A corporation that manages a practice is not permitted to practice a regulated health profession and hence is not required to register with the college or colleges of their shareholders.

- 5. How long is the process for setting up and registering a professional corporation?**

The College cannot provide information on how long it takes to obtain Articles of Incorporation from the Ministry of Government Services. Registrants are advised to contact the Ministry directly at

www.mgs.on.ca for information on how to set up a professional corporation and the timing of this process.

Once a registrant submits an application to the College for a Certificate of Authorization for a professional corporation, the College intends that this application will be processed within 30 days. Naturally, the College can only meet this deadline if the application is submitted with all the required supporting documents and fees.

Setting up the Corporation

6. What is an acceptable name for my professional corporation?

There are a number of restrictions on the names of professional corporations. Briefly, the names of professional corporations must:

- include the words "Professional Corporation" or "Société professionnelle";
- include the surname of one or more shareholders of the corporation as the surname is set out in the College register;
- indicate the health profession practised by the shareholders;

and must not:

- include any information other than that permitted under the *Business Corporations Act* or the regulations.
- violate the provision of any other Act.
- have a number name.

Despite these restrictions, the corporation name may also include the shareholders' given name, one or more of the shareholder's initials or a combination of his or her given name and initials.

For detailed information, please refer to section 3.2 of the *Business Corporation Act* and Ontario Regulation 29/02 under the *Regulated Health Professions Act*, both of which are included in the College information package on professional corporations. It is also wise to consult with the College before setting up your corporation to ensure that the name is appropriate and thus avoid the need to change this name before registering with the College.

7. Do I have to change the name of my practice so that is the same as the name of my professional corporation?

Not necessarily. The rules for the names of professional corporations mean that your current practice name will probably not qualify as an appropriate name for your professional corporation. Since it may be confusing for your patients if you change your practice name to match the name of your professional corporation, the rules permit professional corporations to practice under different names. However, any material that includes your practice name should also have the corporation name on it if the two are different. Owners of professional corporations **are required to inform the College** of every practice name under which the professional corporation practices.

Naturally, there is nothing to prevent you from using the name of your professional corporation as the name of your practice.

8. What kinds of activities can a professional corporation undertake?

As noted above, the *Business Corporations Act* provides that the only business that professional corporations are permitted to undertake is the practice of the profession and activities that are related to or ancillary to the practice of the profession. This includes the temporary investment of surplus funds earned by the corporation.

9. Who is permitted to be a shareholder, officer or director of a professional corporation?

Section 3.2 of the *Business Corporations Act* requires that all shares of a professional corporation be owned by one or more members of the same profession. The same section also requires that all officers or directors of a professional corporation be shareholders of the professional corporation.

Since shareholders must be members of the same profession, and officers and directors must be shareholders, only members of the same profession can be officers or directors.

10. Can my spouse be a shareholder, officer or director of my professional corporation (she/he's not a physiotherapist)?

No — shareholders in a professional corporation must be members of the same profession. In addition all officers and directors must be shareholders so this means that only members of the same profession can be officers or directors.

Professional Responsibility

11. As a registered physiotherapist and part owner of a professional corporation, what is my personal responsibility for the inappropriate activities of the professional corporation?

Section 3.4 of the *Business Corporations Act* makes it clear that the shareholders of professional corporations remain responsible for the activities of the professional corporation. This means that the activities of the corporation reflect directly upon the shareholders' responsibilities to uphold professional standards. In addition, shareholders of professional corporations retain their liability for professional liability claims made against the corporation in respect of errors and omissions that were made or occurred while the person was a shareholder of the corporation.

To make it clear that the professional corporation cannot be used as a means of avoiding professional responsibilities, section 3.4 also contains a clause that deems the acts of a professional corporation to be the acts of the shareholders, employees or agents of the corporation, as the case may be.

The College has reinforced these provisions with a proposed amendment to its professional misconduct regulation that extends the definition of professional misconduct to include the following:

- Being a shareholder, officer or director of a professional corporation where the professional corporation does or omits to do anything that would be professional misconduct if done or omitted to be done by the member.
- Being a shareholder, officer or director of a professional corporation that has breached a provision of the Code of Conduct for Professional Corporations published by the College.
- Being a shareholder, officer or director of a professional corporation that has failed to maintain a valid certificate of authorization or which had provided professional or ancillary services while the certificate of authorization was under suspension or revoked.

12. Can the College revoke my professional corporation's certificate of authorization?

Yes — the College can revoke a professional corporation's certificate of authorization in a number of circumstances. These include:

- The corporation ceases to be eligible to hold a certificate of authorization.
- The corporation ceases to practise the profession in respect of which the certificate of authorization was issued.
- The corporation fails to comply with one or more of the requirements for a renewal of the certificate.

- The corporation carries on any business that is not the practice of the profession governed by the College or activities related to or ancillary to the practice of that profession.
- The corporation fails to notify the Registrar of a change in shareholders.

13. If the College revokes my professional corporation's certificate of authorization, how do I get it back?

If the College revokes a certificate of authorization, the professional corporation must apply for a new one and meet the eligibility requirements that are in effect at the time, which include submitting the required information and paying the fees.

14. How often am I supposed to provide the College with updates on changing information about my professional corporation?

The College has a by-law that governs the kind of information that a professional corporation must provide to the College and when it must be provided.

The by-law states that every member of the College shall, for every professional corporation of which the registrant is a shareholder, provide in writing the following information on the application and annual renewal forms for a certificate of authorization, upon the written request of the Registrar within 30 days and upon any change in the information within 30 days of the change:

- (a) the name of the professional corporation as registered with the Ministry of Government Services,
- (b) any business names used by the professional corporation,
- (c) the name, as set out in the register, and registration number of each shareholder of the professional corporation,
- (d) the name, as set out in the register, of each officer and director of the professional corporation, and the title or office held by each officer and director,
- (e) the principle practice address, telephone number, facsimile number and email address of the professional corporation,
- (f) the address and telephone number of all other locations, other than residences of clients, at which the professional services offered by the professional corporation are provided, and
- (g) a brief description of the professional activities carried out by the professional corporation.

It is important to note that professional corporations are required to provide the College with updates to this information within 30 days of the change.

The Model

15. Why do I have to obtain Articles of Incorporation from the Ministry of Government Services and then register the corporation with the College as well?

While this model seems to be unnecessarily complex, the statutory changes made to the *Business Corporations Act* require that professional corporations obtain their Articles of Incorporation from the Ministry of Government Services and their certificates of authorization from the organization that regulates their members.

The College understands that this process is intended to ensure that the shareholders, officers and directors of professional corporations understand their professional responsibility respecting the activities of their corporations. In addition, the responsibilities that have been delegated to regulatory agencies are justified on the basis that regulatory agencies must retain authority over their members and the ability to grant, and to revoke certificates of authorization is a means of granting this kind of authority.

16. Why has the College chosen to regulate professional corporations?

The College, and other regulatory bodies did not choose to regulate professional corporations. Rather, the government chose to delegate this role to regulatory bodies as an additional duty, above and beyond their duties to regulate individual members.

17. Why is the College charging professional corporations to register and obtain certificates of authorization? Since the owners and shareholders of professional corporations have to be College members anyway, doesn't it mean we are paying twice?

In most respects, corporations, including professional corporations, are entities that are treated in the law much like individuals. This means that although they may be owned by members of the College, the professional corporation is distinct from its owners and must be treated as such.

Further, the requirement for the College to record and monitor substantial amounts of information about professional corporations that is different from the kind of information kept on individual members requires the College to establish separate processes for record keeping and management of professional corporations.

With these and similar obligations in mind, the College believed that it was unreasonable to expect members who were not involved in professional corporations to subsidize the administrative obligations of the College respecting professional corporations. As such, a separate fee schedule for professional corporations was established.

4) **Shareholders:** The name of each shareholder of the corporation and his or her College registration number, business address, business telephone number, and e-mail as of the date of submission of this application is (use additional pages if necessary):

Full Name	College Registration #	Business Address	Business Phone	e-mail

5) **Directors and Officers:** (Note: all directors and officers must be shareholders of the corporation.) The names of all of the directors and officers of the corporation as of the date of submission of this application are:

Full Name (as above)	Check off if a Director	Check off if an Officer	Give Title of Office if an Officer





6) **Practice Location(s):** As of the date of submission of this application, the corporation practises in the following location(s), if different from the corporate address, as listed in Section A. The only addresses omitted are residential addresses of clients.

Address	Phone

7) **Professional Activities:** As indicated in the accompanying statutory declaration, the corporation can not carry on, and can not plan to carry on, any business that is not the practise of the profession governed by the College or activities related to or ancillary to the practice of the profession (Regulation 39/02 2.(1) 6.ii). List in full any ancillary activities permitted under the corporation’s articles of incorporation.

8) **Members Practising:** Members of the College of Physiotherapists of Ontario that will practise the profession through the corporation, including shareholders and employees of the corporation, are:

Full Name	College registration #



9) **Supporting Documentation:** The application includes the following documents:

- Signed application form including undertaking forms signed by all shareholders
- Fee
- Statutory declaration by a director of the corporation signed before a commissioner, lawyer or notary public no more than 15 days before this application is submitted
- Certificate of Status from Ministry of Consumer & Business Services issued not more than 30 days before this application is submitted
- Certified copy of Certificate of Incorporation (including the articles of incorporation)
- Certified copy of every Certificate of Incorporation of the corporation that has been endorsed under the Business Corporations Act as of the date this application is submitted (if applicable)

10) **Accuracy of application:** I have personal knowledge of the declarations contained in this application and of the information I have added in completing this form, and I declare that the declarations and information are accurate and complete.

Applicant's signature

Date

(print name)

Registration #

OFFICE USE ONLY

- Application is approved
- Application is denied

Reasons denied:

Registrar's signature

Date





SECTION C

UNDERTAKING FOR PROFESSIONAL CORPORATIONS

(Each shareholder of the corporation must sign this form)

I, _____, holding College registration number _____,
_____, am a shareholder of _____ and do undertake as follows:

- (1) I will ensure that, in the course of practising the profession, the corporation does not do or fail to do anything that would be professional misconduct if done or failed to be done by myself.
- (2) I will ensure that the corporation does not breach any provision of the Code of Conduct for corporations that may be published by the College from time to time.
- (3) I will ensure that the corporation maintains a valid Certificate of Authorization and does not provide professional or ancillary services while its Certificate of Authorization is under suspension or revoked or when it does not satisfy the requirements for a professional corporation under subsection 3.2(2) of the Business Corporations Act.
- (4) I will ensure that the corporation complies with the Regulated Health Professions Act and its regulations, the Health Professions Procedural Code, the Physiotherapy Act and its regulations, and by-laws of the College.
- (5) I will ensure that any person who is not currently a shareholder of the corporation shall file a similar undertaking with the College as soon as he or she becomes a shareholder.
- (6) I will ensure that the College is notified of any changes to the name, articles of incorporation or practice locations of the corporation as soon as they occur and to any other information provided in the application within the time period required by the by-laws.
- (7) I will ensure that if the corporation practises in a name other than its corporate name, the corporation shall first notify the College of its practice name and shall include its corporate name in all written, electronic, or broadcast communications.

Applicant's signature

Date

(print name)

Registration #



SECTION D

STATUTORY DECLARATION

I, _____, holding College registration number _____,

am a director of _____, and do hereby solemnly declare the following:

1. I certify the following:

- i. that the corporation is in compliance with section 3.2 of the Business Corporations Act as of the date this statutory declaration is executed,
- ii. that the corporation does not carry on, and does not plan to carry on, any business that is not the practice of the profession governed by the College or activities related to or ancillary to the practice of that profession,
- iii. that there has been no change in the status of the corporation since the date of the certificate of status enclosed with the application for a Certificate of Authorization that accompanies this statutory declaration, and
- iv. that the information contained in the application for a Certificate of Authorization that accompanies this statutory declaration is complete and accurate as of the day this statutory declaration is executed.

and I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath.

Declared before me in the City of _____
in the _____ of _____
this _____ day of _____, 20____.

(Signature of Declarant)

(print name)

A Commissioner, etc.

Made pursuant to s. 41 of the Canada Evidence Act,

And s. 43 of the Evidence Act, of Ontario.

(Affix stamp, or seal below)

¹ Under para. 2(1).6 of the Minister's regulation, an application for a certificate of authorization is to be accompanied by a statutory declaration (much like an affidavit) containing the information as set out in this statutory declaration.

