

Frequently Asked Questions regarding Professional Medical Corporations

1. Do I need a lawyer to incorporate?

You may require legal assistance in obtaining the following:

- Certificate of Incorporation through the Registry of Companies for the Province of Newfoundland and Labrador; or
- Professional Medical Corporation licence from the College.

2. Do I have to be actively licensed with the College to maintain a Professional Medical Corporation?

Yes, a physician who practises medicine through a Professional Medical Corporation must be individually licensed under the *Medical Act, 2011*.

3. What can I name my Professional Medical Corporation?

The name of the Professional Medical Corporation must indicate the corporation is engaged in the practice of medicine and shall contain:

- (1) the surnames and professional designation of one or more licensed physicians who hold voting shares in the corporation or who are practising medicine as employees on behalf of the corporation;
- (2) the surnames and a combination of the given names or initials and professional designation of one or more licensed physicians who hold voting shares in the corporation or who are practising medicine as employees on behalf of the corporation;
- (3) “Medical Clinic” (or words with a similar meaning) together with name in (1) or (2) above;
- (4) “Medical Clinic” (or words with a similar meaning) together with words establishing a geographic location or area of practice

followed by the words “Professional Medical Corporation” or “Prof. Med. Corp.” or the initials P.M.C.

If you would like to ensure the name of a Professional Medical Corporation meets the requirements of the College, please email the College at cpsnl@cpsnl.ca.

4. If my Professional Medical Corporation is incorporated in another jurisdiction outside Newfoundland and Labrador, can it operate in Newfoundland and Labrador?

No, however the corporation may continue into Newfoundland and Labrador providing it meets CPSNL requirements. For more information, please contact the College at cpsnl@cpsnl.ca.

5. Who can be a shareholder in a Professional Medical Corporation?

Only physicians individually licensed under the *Medical Act, 2011* can beneficially own voting shares in the corporation and there shall be no restriction on the right of each physician to exercise his or her vote as her or she wishes.

Non-voting shares may be held by a natural person; spouses, common law partners and children. Where the beneficial owner of non-voting shares is not a physician providing medical services through the corporation or is not an apparent familial or personal (i.e. non-commercial) relationship with a physician providing services through the Corporation, the College may inquire as to whether there is a commercial reason for such shareholding.

6. Who can be a director of a Professional Medical Corporation?

Only physicians individually licensed under the *Medical Act, 2011* can be a director of a corporation. There shall not be any agreement restricting the powers of the directors to manage the business and affairs of the corporation in relation to medicine. Other requirements, as per the *Corporations Act, Newfoundland and Labrador* may also apply.

7. Are there any special restrictions to include in the Articles of Incorporation for the Professional Medical Corporation?

Yes, a Professional Medical Corporation should include the following restrictions in the Articles of Incorporation:

- “the corporation is restricted to providing the services of a medical practitioner and related matters”.

8. How do I apply for a licence to practise within a Professional Medical Corporation?

Once you have incorporated your corporation with the Registry of Companies for the Province of Newfoundland and Labrador, you (or your representative) will need to:

- Complete an application for licence, ensuring the application is signed and sworn by each physician who is a director or who holds voting shares in the corporation; and
- forward the completed application, including the certified documents from the Registry of Companies, to the College for approval. Please note, faxed copies are not acceptable.

Failure to meet these requirements will delay processing of the application.

9. What is the cost of initiating a Professional Medical Corporation licence with the College?

The initial registration fee is \$500; \$650 with trust indenture. This fee is not pro-rated.

10. When the College has approved my application for licence, where will the licence be sent?

The licence will be sent to you/your representative you used to establish the Professional Medical Corporation. Otherwise, the address that is supplied on the application form.

11. Do I have to renew my licence to practise within a Professional Medical Corporation?

Yes, a Professional Medical Corporation licence expires January 15, annually. The renewal process is an online application. A renewal notification will be sent to the primary contact of the Professional Medical Corporation.

12. Can I maintain my Professional Medical Corporation licence with the College if I move out of the province?

Yes, however you must also maintain an active individual licence to practise medicine in Newfoundland and Labrador.

13. How do I change or update information pertaining to my Professional Medical Corporation?

Changes from the last filed application for corporate licensure or application for renewal must be disclosed to the College within 15 days of change. A Notice of Change Form must be completed, accompanied by any true and complete copies of any new or amended document, and payment of fees.