

1999 BILL 34

Third Session, 24th Legislature, 48 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# **BILL 34**

**PARTNERSHIP AMENDMENT ACT, 1999**

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MR. JACQUES

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First Reading .....

Second Reading .....

Committee of the Whole .....

Third Reading .....

Royal Assent .....

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## BILL 34

1999

### PARTNERSHIP AMENDMENT ACT, 1999

(Assented to \_\_\_\_\_, 1999)

HER MAJESTY, by and with the advice and consent of the  
Legislative Assembly of Alberta, enacts as follows:

Amends RSA  
1980 cP-2

**1 The *Partnership Act* is amended by this Act.**

**2 Section 1 is amended**

**(a) by renumbering clause (a) as clause (a.2) and by adding the following before clause (a.2):**

- (a) "Alberta LLP" means a partnership registered under section 79.3 as an Alberta LLP;
- (a.1) "Alberta partner" with respect to an extra-provincial LLP includes a partner who ordinarily resides outside Alberta all or part of the time but practises in Alberta;

**(b) by adding the following after clause (c):**

- (c.1) "extra-provincial LLP" means a limited liability partnership registered under section 79.96 as an extra-provincial LLP;
- (c.2) "governing jurisdiction" with respect to a partnership means the jurisdiction the law of which governs the interpretation of the partnership agreement, by operation of law or through a provision in the partnership agreement or another document created by the partnership;

**(c) by adding the following after clause (e):**

## **Explanatory Notes**

- 1** Amends chapter P-2 of the Revised Statutes of Alberta 1980.
- 2** Definitions.

(e.1) “registered LLP” means an Alberta LLP or an extra-provincial LLP;

**3 Section 11 is amended by renumbering subsection (1) as subsection (1.1) and by adding the following before subsection (1.1):**

Liability of partner

**11(1)** This section is to be applied subject to section 11.1.

**4 The following is added after section 11:**

LLP limited liability

**11.1(1)** Subject to subsections (2) and (4), a partner in an Alberta LLP is not individually liable, directly or indirectly by means of indemnification, contribution, assessment or otherwise, for debts, obligations or liabilities of the partnership or another partner that arise from the negligence, wrongful acts or omissions, malpractice or misconduct of

- (a) another partner, or
- (b) an employee, agent or representative of the partnership

that occur in the ordinary course of carrying on practice in an eligible profession within the meaning of section 79.1 while the partnership is an Alberta LLP.

**(2)** Subsection (1) does not operate to protect a partner from liability

- (a) where the partner knew of the negligence, wrongful act or omission, malpractice or misconduct at the time it was committed and failed to take reasonable steps to prevent its commission, or
- (b) where
  - (i) the negligence, wrongful act or omission, malpractice or misconduct was committed by an employee, agent or representative of the

**3** Section 11 presently reads:

*11(1) Each partner in a firm is liable jointly with the other partners for debts and obligations of the firm incurred while he is a partner.*

*(2) When a partner dies, his estate is severally liable, in the due course of administration, for any debts and obligations of the firm incurred while the deceased partner was a partner that remain unsatisfied.*

*(3) The payment of debts and obligations under subsection (2) is subject to the prior payment of the separate debts of the deceased partner.*

**4** Provides for limited liability of partners in an Alberta LLP.

partnership for whom the partner was directly responsible in a supervisory role, and

- (ii) the partner failed to provide such adequate and competent supervision as would normally be expected of a partner in those circumstances.

(3) A partner in an Alberta LLP is not a proper party to a proceeding by or against the partnership that claims relief in respect of negligence, wrongful acts or omissions, malpractice or misconduct referred to in subsection (1).

(4) The protection from liability given to a partner under subsection (1) shall not be construed as offering any protection from claims against that partner's interest in the partnership property.

**5 Section 14 is amended by striking out "Each partner" and substituting "Except as provided in section 11.1, each partner".**

**6 Section 27 is amended**

- (a) **by striking out the words preceding clause (a) and substituting the following:**

Determination  
of partners'  
interest

**27** Subject to section 11.1 and subject to an agreement, express or implied, between the partners, the interest of partners in the partnership property and their rights and duties in relation to the partnership shall be determined by the following rules:

- (b) **in clause (a) by adding** " , but a partner is not individually liable to contribute to losses arising from a liability for which the partner is not liable under section 11.1" **after** "firm";

- (c) **by repealing clause (b) and substituting the following:**

- (b) the firm shall indemnify each partner in respect of payments made and personal liabilities incurred by the partner

- (i) in the ordinary and proper conduct of the business of the firm, or

**5** Section 14 presently reads:

*14 Each partner is liable jointly with his co-partners and also severally for everything for which the firm while he is a partner in it becomes liable under section 12 or 13.*

**6** Section 27 presently reads in part:

*27 The interest of partners in the partnership property and their rights and duties in relation to the partnership shall be determined, subject to an agreement expressed or implied between the partners, by the following rules:*

- (a) all the partners are entitled to share equally in the capital and profits of the business and shall contribute equally towards the losses, whether of capital or otherwise, sustained by the firm;*
- (b) the firm shall indemnify each partner in respect of payments made and personal liabilities incurred by him*
  - (i) in the ordinary and proper conduct of the business of the firm, or*
  - (ii) in or about anything necessarily done for the preservation of the business or property of the firm;*

(ii) in or about anything necessarily done for the preservation of the business or property of the firm,

but a partner is not required to indemnify or make contributions to other partners in respect of debts or obligations of the partnership for which the partner is not liable under section 11.1;

**7 Section 47(a) is repealed and the following is substituted:**

(a) losses, including losses and deficiencies of capital, must be paid

(i) first out of profits,

(ii) next out of capital, and

(iii) last, if necessary, by the partners individually in the proportion in which they were entitled to share profits,

but a partner is not required to pay any loss arising from a liability for which the partner is not liable under section 11.1;

**8 The following is added after section 79:**

**PART 2.1**

**REGISTRATION OF LIMITED  
LIABILITY PARTNERSHIPS**

**Registration of Alberta LLPs**

Definition

**79.1** In this Part, “eligible profession” means a profession or discipline that is regulated by an Act of Alberta that specifically authorizes members of the profession or discipline to carry on business through a corporation that has the words “Professional Corporation” or the abbreviation “P.C.” as part of its name.

Application for  
registration as  
Alberta LLP

**79.2(1)** A partnership consisting of partners carrying on practice in one or more eligible professions may apply to the Registrar to be registered as an Alberta LLP.



**7** Section 47(a) presently reads:

*47 In settling accounts between the partners after a dissolution of partnership the following rules shall, subject to any agreement, be observed:*

*(a) losses, including losses and deficiencies of capital, shall be paid*

*(i) first out of profits,*

*(ii) next out of capital, and*

*(iii) lastly, if necessary, by the partners individually in the proportion in which they were entitled to share profits;*

**8** Provisions respecting registration of limited liability partnerships.

(2) Subsection (1) does not apply where the governing body of any of the eligible professions in which the partners in the partnership carry on practice has passed a rule or by-law prohibiting persons who carry on practice in the eligible profession from doing so in a limited liability partnership under this Act.

(3) A limited partnership under Part 2 may not be registered as an Alberta LLP.

(4) An application must be in a format acceptable to the Registrar and must

(a) set out

(i) the name of the partnership,

(ii) the eligible profession or professions in which the partners carry on practice,

(iii) the name and residential address of the partner who is designated as the representative of the partnership in respect of matters relating to the partnership,

(iv) the address of the registered office of the partnership,

(v) the separate post office box, if any, designated as the partnership's address for service by mail, and

(vi) any other information required by the regulations,

(b) be accompanied with a statement from a person who is authorized by the governing body of the applicable eligible profession to provide the statement, certifying that

(i) the partners are covered by liability insurance or other protection against professional liability within the meaning of section 11.1 in the form and amount that is required for that purpose by regulation, rule or by-law under the Act that regulates the eligible profession, and

(ii) the partnership and the partners meet all other applicable eligibility requirements for practice as



an Alberta LLP that are imposed in or under the Act that regulates the eligible profession,

and

(c) be accompanied with the prescribed fee.

Registration

**79.3(1)** If the Registrar is satisfied that an applicant for registration as an Alberta LLP meets the requirements of this Act, the Registrar shall register the applicant and provide the applicant with a certificate of registration.

(2) A certificate of registration issued by the Registrar is conclusive evidence that the Alberta LLP named in the certificate is registered under this Act.

(3) The registration of an Alberta LLP is not adversely affected by errors in the application, in the information referred to in section 79.2(4), or in any notice amending the registration or by changes in the filed information that occur after the date of registration.

(4) The registration of an Alberta LLP is not adversely affected by a change in the partners in the partnership.

Effect of registration

**79.4** Subject to any agreement between the partners, the registration of a partnership as an Alberta LLP does not cause the dissolution of the partnership, and the Alberta LLP continues as the same partnership that existed before the registration.

Notice to clients

**79.5** On being registered as an Alberta LLP, a partnership shall forthwith send to all of its existing clients a notice that advises of the registration and explains in general terms the potential changes in liability of the partners that are a result of the registration and the operation of this Act.

Registered office, address for service

**79.6(1)** An Alberta LLP shall at all times have a registered office in Alberta.

(2) An Alberta LLP may designate a separate post office box within Alberta as its address for service by mail.

(3) An Alberta LLP's registered office must be business premises of the LLP or of a person or firm that has agreed to act as the LLP's registered office, and the LLP shall ensure that its registered office is



- (a) accessible to the public during normal business hours, and
- (b) readily identifiable from the information provided in the registration documents or in any notice amending the registration.

Partnership list

**79.7** An Alberta LLP shall keep at its registered office a list of the partners in the LLP and shall forthwith provide the following information to any person who requests it:

- (a) a list of the partners in the LLP;
- (b) a list of the persons who were partners in the LLP on a particular date that is after the date of registration and is specified in the request.

Notice of changes

**79.8(1)** The registration of an Alberta LLP may be amended by filing with the Registrar a notice in a format acceptable to the Registrar, accompanied with the prescribed fee.

**(2)** Within 30 days following any change in the information referred to in section 79.2(4)(a), the Alberta LLP shall file with the Registrar a notice in a format acceptable to the Registrar setting out the changes and the effective date of them, and the notice must be accompanied with the prescribed fee.

Periodic reports

**79.9** An Alberta LLP shall

- (a) file with the Registrar at the times prescribed in the regulations a report containing the information required by the regulations, and
- (b) pay to the Registrar any periodic fee required by the regulations.

Cancellation of registration

**79.91(1)** The Registrar may cancel the registration of an Alberta LLP

- (a) if the LLP is in default for a period of one year in complying with section 79.9,
- (b) if the LLP files with the Registrar a request in a format acceptable to the Registrar that the registration be cancelled, or



(c) if the Registrar receives a notice from a person who is authorized by the governing body of the applicable eligible profession to provide the notice, stating that the LLP or one or more of the partners no longer complies with section 79.2(4)(b).

(2) Before cancelling an Alberta LLP's registration under subsection (1)(a), the Registrar shall

- (a) give to the LLP 120 days' notice of the intended cancellation, and
- (b) publish notice of the intended cancellation in the Registrar's periodical under the *Business Corporations Act* or The Alberta Gazette,

and the Registrar shall not cancel the registration if the LLP remedies the default before the expiration of the period referred to in the notice.

(3) Cancellation of the registration of an Alberta LLP only affects a partnership's registration as an LLP and does not dissolve the partnership.

Name **79.92** The name of an Alberta LLP must meet the requirements, if any, set out in the regulations.

Service **79.93(1)** A notice or document required or permitted to be sent to or served on an Alberta LLP may be

- (a) delivered to its registered office, or
- (b) sent by registered mail to
  - (i) its registered office, or
  - (ii) the separate post office box designated as its address for service by mail,

as shown in the Registrar's records.

(2) A notice or document sent by registered mail to an Alberta LLP in accordance with subsection (1)(b) is deemed to be received or served at the time it would be delivered in the ordinary course of mail unless there are reasonable grounds for believing that the Alberta LLP did not receive the notice or document at that time or at all.





## Registration of Extra-provincial LLPs

Non-registered  
status

**79.94** A partnership that has the status of a limited liability partnership under the laws of a jurisdiction outside Alberta shall be treated as an ordinary partnership with respect to rights and obligations that are acquired or incurred by the partnership under Alberta law while the partnership is carrying on business in Alberta before registration as an extra-provincial LLP under section 79.96.

Extra-  
provincial LLP

**79.95(1)** A partnership that

- (a) has the status of a limited liability partnership under the laws of a jurisdiction outside Alberta, and
- (b) consists of partners that carry on practice, whether through a professional corporation or not, in one or more professions or disciplines that are eligible professions in Alberta,

may apply to the Registrar to be registered as an extra-provincial LLP.

**(2)** Subsection (1) does not apply where the governing body of any of the eligible professions in which the partners in the partnership carry on practice has passed a rule or by-law prohibiting persons who carry on practice in the eligible profession from doing so in a limited liability partnership under this Act.

**(3)** An application must be in a format acceptable to the Registrar and must

- (a) set out
  - (i) the name of the partnership,
  - (ii) the eligible profession or professions in which the partners carry on practice,
  - (iii) the name and residential address in Alberta of the partner who is designated as the representative of the partnership in matters relating to the partnership,
  - (iv) the governing jurisdiction of the partnership,
  - (v) the address of the registered office of the partnership in Alberta,



(vi) the separate post office box, if any, designated as the partnership's Alberta address for service, and

(vii) any other information required by the regulations,

and

(b) be accompanied with

(i) evidence satisfactory to the Registrar of the partnership's status as a limited liability partnership under the laws of the governing jurisdiction,

(ii) a statement in respect of each eligible profession in which the Alberta partners carry on practice from a person who is authorized by the governing body of the applicable eligible profession in Alberta to provide the statement, certifying that

(A) the Alberta partners in the partnership are covered by liability insurance or other protection against professional liability within the meaning of section 11.1 in the form and amount that is required for that purpose by regulation, rule or by-law under the Act that regulates the eligible profession, and

(B) the partnership and the Alberta partners meet all other applicable eligibility requirements for practice as an extra-provincial LLP that are imposed in or under the Act that regulates the eligible profession,

and

(iii) the prescribed fee.

Registration

**79.96(1)** If the Registrar is satisfied that an applicant for registration as an extra-provincial LLP meets the requirements of this Act, the Registrar shall register the applicant and provide the applicant with a certificate of registration.



(2) A certificate of registration issued by the Registrar is conclusive evidence that the extra-provincial LLP named in the certificate is registered under this Act.

(3) The registration of an extra-provincial LLP is not adversely affected by errors in the application, in the information referred to in section 79.95(3), or in any notice amending the registration or by changes in the filed information that occur after the date of registration.

(4) The registration of an extra-provincial LLP is not adversely affected by a change in the partners in the partnership.

Notice to clients

**79.97** On being registered as an extra-provincial LLP, a partnership shall send to all of the existing clients of its Alberta practice a notice that advises of the registration and explains in general terms the potential changes in liability of the Alberta partners that are a result of the registration and the operation of this Act.

Address for service

**79.98(1)** An extra-provincial LLP shall have at all times a registered office in Alberta.

(2) An extra-provincial LLP may designate a separate post office box within Alberta as its address for service by mail.

(3) An extra-provincial LLP's registered office must be business premises of the LLP or of a person or firm that has agreed to act as the LLP's registered office, and the LLP shall ensure that the business premises are

- (a) accessible to the public during normal business hours, and
- (b) readily identifiable from the information provided in the registration documents or in any notice amending the registration.

Partnership list

**79.99** An extra-provincial LLP shall keep at its registered office a list of the Alberta partners in the LLP and shall forthwith provide the following information to any person who requests it:

- (a) a list of the Alberta partners in the LLP;
- (b) a list of the persons who were Alberta partners in the LLP on a particular date that is after the date of registration and is specified in the request.



Name	<p><b>79.991</b> The name of an extra-provincial LLP must contain the words and abbreviations required under the laws of its governing jurisdiction.</p>
Service	<p><b>79.992(1)</b> A notice or document required or permitted to be sent to or served on an extra-provincial LLP may be</p> <ul style="list-style-type: none"> <li>(a) delivered to its registered office, or</li> <li>(b) sent by registered mail to <ul style="list-style-type: none"> <li>(i) its registered office, or</li> <li>(ii) the separate post office box designated as its address for service by mail,</li> </ul> </li> </ul> <p>as shown in the Registrar's records.</p> <p><b>(2)</b> A notice or document sent by registered mail to an extra-provincial LLP in accordance with subsection (1)(b) is deemed to be received or served at the time it would be delivered in the ordinary course of mail unless there are reasonable grounds for believing that the extra-provincial LLP did not receive the notice or document at that time or at all.</p>
Notice of changes	<p><b>79.993(1)</b> The registration of an extra-provincial LLP may be amended by filing with the Registrar a notice in a format acceptable to the Registrar, accompanied with the prescribed fee.</p> <p><b>(2)</b> Within 30 days following any change in the information referred to in section 79.95(3)(a), the extra-provincial LLP shall file with the Registrar a notice in a format acceptable to the Registrar setting out the changes and the effective date of them, and the notice must be accompanied with the prescribed fee.</p>
Periodic reports	<p><b>79.994</b> An extra-provincial LLP shall</p> <ul style="list-style-type: none"> <li>(a) file with the Registrar at the times prescribed in the regulations a report containing the information required by the regulations, and</li> <li>(b) pay to the Registrar any periodic fee required by the regulations.</li> </ul>





Cancellation of registration

**79.995(1)** The Registrar may cancel the registration of an extra-provincial LLP

- (a) if the LLP is in default for a period of one year in complying with section 79.994,
- (b) if the LLP files with the Registrar a request in a format acceptable to the Registrar that the registration be cancelled,
- (c) if the Registrar receives a notice from a person who is authorized by the governing body of the applicable eligible profession in Alberta to provide the notice, stating that the LLP or one or more of the partners no longer complies with section 79.95(3)(b)(ii), or
- (d) if the Registrar receives a notice from the regulatory official or body in the LLP's governing jurisdiction stating that the LLP no longer has the status of a limited liability partnership in that jurisdiction.

(2) Before cancelling an extra-provincial LLP's registration under subsection (1)(a), the Registrar shall

- (a) give to the LLP 120 days' notice of the intended cancellation, and
- (b) publish notice of the intended cancellation in the Registrar's periodical under the *Business Corporations Act* or The Alberta Gazette,

and the Registrar shall not cancel the registration if the LLP remedies the default before the expiration of the period referred to in the notice.

Law of governing jurisdiction applies

**79.996(1)** The law of the governing jurisdiction of an extra-provincial LLP applies

- (a) to the organization and internal affairs of the LLP, and
- (b) to the liability of the partners of the LLP for debts, obligations and liabilities of or chargeable to the partnership.

(2) Notwithstanding subsection (1), an Alberta partner of an extra-provincial LLP does not have any greater protection against individual liability in respect of his practice in



Alberta than a partner in an Alberta LLP would have under this Part.

**9 Section 84 is amended**

**(a) in subsection (3) by adding “or” at the end of clause (a), by striking out “or” at the end of clause (b) and by repealing clause (c);**

**(b) by adding the following after subsection (3):**

**(4)** Where the place of residence of a member of the firm changes, the member shall, within 15 days after the effective date of the change, file a declaration with the Registrar setting out the new place of residence.

**10 Section 92 and the heading preceding it are repealed and the following is substituted:**

**Regulations**

Regulations

**92** The Lieutenant Governor in Council may make regulations

- (a) respecting applications for registration of limited liability partnerships under Part 2.1;
- (b) respecting the imposition of terms and conditions on the registration of a limited liability partnership under Part 2.1 including, without limitation, regulations authorizing the Registrar to impose terms and conditions;
- (c) governing name requirements for Alberta LLPs;
- (d) establishing or providing for the manner of establishing fees to be charged in respect of anything done and any service or thing provided under this Act;
- (e) governing reports for the purposes of sections 79.9 and 79.994.

**11(1) The *Certified General Accountants Act* is amended by adding the following after section 103:**

**9** Section 84(3) presently reads:

*(3) A similar declaration shall in like manner be filed when a change or alteration takes place*

*(a) in the membership of the partnership,*

*(b) in the firm name under which the members intend to carry on business, or*

*(c) in the place of residence of each member of the firm,*

*and the declaration shall state each such change and alteration that has taken place.*

**10** Section 92 and the heading preceding it presently read:

*Registration Fees*

*92 The Lieutenant Governor in Council may prescribe a tariff of fees to be charged for filing any declaration, for issuing any certificate and for rendering any other service under this Act.*

**11** Consequential amendments.

**103.1(1) The Board**

- (a) shall make regulations respecting the type and amount of liability insurance or other protection against professional liability that a partnership must have for the purposes of registration as a limited liability partnership under Part 2.1 of the *Partnership Act*, and
- (b) may make by-laws governing eligibility requirements that a partnership must meet in order to be registered as a limited liability partnership under Part 2.1 of the *Partnership Act*.

(2) Section 103(2) applies in respect of a regulation made under subsection (1)(a).

(3) Section 104(2) and (3) apply in respect of a by-law made under subsection (1)(b) or (7).

(4) Where the Minister considers that regulations made under subsection (1)(a) do not provide sufficient protection against professional liability, the Minister may, by notice in writing to the Board, request the Board to amend the regulations in the manner specified in the notice within the time set out in the notice.

(5) Where the Board fails to amend the regulations in accordance with the notice, the Lieutenant Governor in Council may amend the regulations, and in that case the amendments operate as if they had been made in accordance with section 103.

(6) Subsections (1) to (5) do not apply if there is a by-law under subsection (7) in effect.

(7) The Board may make a by-law providing that, notwithstanding Part 2.1 of the *Partnership Act*, no person may engage in exclusive accounting practice in a limited liability partnership under that Act.

**(2) The *Certified Management Accountants Act* is amended by adding the following after section 103:**

**103.1(1) The Council**

- (a) shall make regulations respecting the type and amount of liability insurance or other protection



against professional liability that a partnership must have for the purposes of registration as a limited liability partnership under Part 2.1 of the *Partnership Act*, and

(b) may make by-laws governing eligibility requirements that a partnership must meet in order to be registered as a limited liability partnership under Part 2.1 of the *Partnership Act*.

(2) Section 103(2) applies in respect of a regulation made under subsection (1)(a).

(3) Section 104(2) and (3) apply in respect of a by-law made under subsection (1)(b) or (7).

(4) Where the Minister considers that regulations made under subsection (1)(a) do not provide sufficient protection against professional liability, the Minister may, by notice in writing to the Council, request the Council to amend the regulations in the manner specified in the notice within the time set out in the notice.

(5) Where the Council fails to amend the regulations in accordance with the notice, the Lieutenant Governor in Council may amend the regulations, and in that case the amendments operate as if they had been made in accordance with section 103.

(6) Subsections (1) to (5) do not apply if there is a by-law under subsection (7) in effect.

(7) The Council may make a by-law providing that, notwithstanding Part 2.1 of the *Partnership Act*, no person may engage in exclusive accounting practice in a limited liability partnership under that Act.

**(3) The *Chartered Accountants Act* is amended by adding the following after section 103:**

Regulations  
and by-laws re  
LLPs

**103.1(1) The Council**

(a) shall make regulations respecting the type and amount of liability insurance or other protection against professional liability that a partnership must have for the purposes of registration as a limited liability partnership under Part 2.1 of the *Partnership Act*, and





(b) may make by-laws governing eligibility requirements that a partnership must meet in order to be registered as a limited liability partnership under Part 2.1 of the *Partnership Act*.

(2) Section 103(2) applies in respect of a regulation made under subsection (1)(a).

(3) Section 104(2) and (3) apply in respect of a by-law made under subsection (1)(b) or (7).

(4) Where the Minister considers that regulations made under subsection (1)(a) do not provide sufficient protection against professional liability, the Minister may, by notice in writing to the Council, request the Council to amend the regulations in the manner specified in the notice within the time set out in the notice.

(5) Where the Council fails to amend the regulations in accordance with the notice, the Lieutenant Governor in Council may amend the regulations, and in that case the amendments operate as if they had been made in accordance with section 103.

(6) Subsections (1) to (5) do not apply if there is a by-law under subsection (7) in effect.

(7) The Council may make a by-law providing that, notwithstanding Part 2.1 of the *Partnership Act*, no person may engage in exclusive accounting practice in a limited liability partnership under that Act.

**(4) The *Chiropractic Profession Act* is amended by adding the following after section 75:**

Regulations  
and by-laws re  
LLPs

**75.1(1) The Council**

(a) shall make regulations respecting the type and amount of liability insurance or other protection against professional liability that a partnership must have for the purposes of registration as a limited liability partnership under Part 2.1 of the *Partnership Act*, and

(b) may make regulations governing eligibility requirements that a partnership must meet in order to be registered as a limited liability partnership under Part 2.1 of the *Partnership Act*.



(2) A regulation under subsection (1)(a) does not come into force unless it is approved by the Lieutenant Governor in Council.

(3) Where the Minister considers that regulations made under subsection (1)(a) do not provide sufficient protection against professional liability, the Minister may, by notice in writing to the Council, request the Council to amend the regulations in the manner specified in the notice within the time set out in the notice.

(4) Where the Council fails to amend the regulations in accordance with the notice, the Lieutenant Governor in Council may amend the regulations, and in that case the amendments operate as if they had been made by the Council.

(5) Subsections (1) to (4) do not apply if there is a by-law under subsection (6) in effect.

(6) The Council may make a by-law providing that, notwithstanding Part 2.1 of the *Partnership Act*, no person may practise chiropractic in a limited liability partnership under that Act.

**(5) The *Dental Profession Act* is amended by adding the following after section 90:**

Regulations  
and by-laws re  
LLPs

**90.1(1) The Board**

(a) shall make regulations respecting the type and amount of liability insurance or other protection against professional liability that a partnership must have for the purposes of registration as a limited liability partnership under Part 2.1 of the *Partnership Act*, and

(b) may make regulations governing eligibility requirements that a partnership must meet in order to be registered as a limited liability partnership under Part 2.1 of the *Partnership Act*.

(2) A regulation under subsection (1)(a) does not come into force unless it is approved by the Lieutenant Governor in Council.

(3) Where the Minister considers that regulations made under subsection (1)(a) do not provide sufficient protection against professional liability, the Minister may, by notice in



writing to the Board, request the Board to amend the regulations in the manner specified in the notice within the time set out in the notice.

(4) Where the Board fails to amend the regulations in accordance with the notice, the Lieutenant Governor in Council may amend the regulations, and in that case the amendments operate as if they had been made by the Board.

(5) Subsections (1) to (4) do not apply if there is a by-law under subsection (6) in effect.

(6) The Board may make a by-law providing that, notwithstanding Part 2.1 of the *Partnership Act*, no person may practise dentistry in a limited liability partnership under that Act.

**(6) The *Legal Profession Act* is amended by adding the following after section 7:**

Regulations  
and by-laws re  
LLPs

**7.1(1) The Benchers**

(a) shall make rules respecting the type and amount of liability insurance or other protection against professional liability that a partnership must have for the purposes of registration as a limited liability partnership under Part 2.1 of the *Partnership Act*, and

(b) may make rules governing eligibility requirements that a partnership must meet in order to be registered as a limited liability partnership under Part 2.1 of the *Partnership Act*.

(2) A rule under subsection (1)(a) does not come into force unless it is approved by the Lieutenant Governor in Council.

(3) Where the Minister considers that rules made under subsection (1)(a) do not provide sufficient protection against professional liability, the Minister may, by notice in writing to the Benchers, request the Benchers to amend the rules in the manner specified in the notice within the time set out in the notice.

(4) Where the Benchers fail to amend the rules in accordance with the notice, the Lieutenant Governor in Council may make regulations respecting the matters referred to in subsection (1)(a) and, to the extent that there



is any inconsistency between those regulations and the rules, those regulations prevail.

(5) Subsections (1) to (4) do not apply if there is a rule under subsection (6) in effect.

(6) The Benchers may make a rule providing that, notwithstanding Part 2.1 of the *Partnership Act*, no person may practise as a barrister and solicitor in a limited liability partnership under that Act.

**(7) The *Medical Profession Act* is amended in section 32 by adding the following after subsection (2):**

(3) The council

(a) shall make by-laws respecting the type and amount of liability insurance or other protection against professional liability that a partnership must have for the purposes of registration as a limited liability partnership under Part 2.1 of the *Partnership Act*, and

(b) may make by-laws governing eligibility requirements that a partnership must meet in order to be registered as a limited liability partnership under Part 2.1 of the *Partnership Act*.

(4) A by-law under subsection (3)(a) does not come into force unless it is approved by the Lieutenant Governor in Council.

(5) Where the Minister considers that by-laws made under subsection (3)(a) do not provide sufficient protection against professional liability, the Minister may, by notice in writing to the council, request the council to amend the by-laws in the manner specified in the notice within the time set out in the notice.

(6) Where the council fails to amend the by-laws in accordance with the notice, the Lieutenant Governor in Council may make regulations respecting the matters referred to in subsection (3)(a) and, to the extent that there is any inconsistency between those regulations and the by-laws, those regulations prevail.

(7) Subsections (3) to (6) do not apply if there is a by-law under subsection (8) in effect.





(8) The council may make a by-law providing that, notwithstanding Part 2.1 of the *Partnership Act*, no person may practise medicine in a limited liability partnership under that Act.

**(8) The *Optometry Profession Act* is amended by adding the following after section 9:**

Regulations  
and by-laws re  
LLPs

**9.1(1) The Council**

(a) shall make regulations respecting the type and amount of liability insurance or other protection against professional liability that a partnership must have for the purposes of registration as a limited liability partnership under Part 2.1 of the *Partnership Act*, and

(b) may make regulations governing eligibility requirements that a partnership must meet in order to be registered as a limited liability partnership under Part 2.1 of the *Partnership Act*.

(2) A regulation under subsection (1)(a) does not come into force unless it is approved by the Lieutenant Governor in Council.

(3) Where the Minister considers that regulations made under subsection (1)(a) do not provide sufficient protection against professional liability, the Minister may, by notice in writing to the Council, request the Council to amend the regulations in the manner specified in the notice within the time set out in the notice.

(4) Where the Council fails to amend the regulations in accordance with the notice, the Lieutenant Governor in Council may amend the regulations, and in that case the amendments operate as if they had been made by the Council.

(5) Subsections (1) to (4) do not apply if there is a by-law under subsection (6) in effect.

(6) The Council may make a by-law providing that, notwithstanding Part 2.1 of the *Partnership Act*, no person may practise optometry in a limited liability partnership under that Act.

**12 This Act comes into force on Proclamation.**

**12** Coming into force.

**21**

Explanatory Notes