

HEALTH PROFESSIONS ACT 56 OF 1974

EXEMPTION OF JURISTIC PERSONS FROM THE OPERATION OF CERTAIN PROVISIONS OF THE ACT

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By virtue of the powers vested in me by [section 54A](#) of the Medical, Dental and Supplementary Health Service Professions Act, 1974 (Act No. 56 of 1974), I, Elizabeth Hendrina Venter, Minister for National Health and Welfare, do hereby, on the recommendation of the South African Medical and Dental Council, exempt any company incorporated and registered as a private company with a share capital in terms of the Companies Act, 1973 (Act No. 61 of 1973), subject to the conditions listed in the Schedule, from the provisions of [sections 17](#), [32](#) and [36](#) up to and including [39](#) of the Medical, Dental and Supplementary Health Service Professions Act, 1974 (hereinafter termed the Act), in order to practise the profession of medical practitioner, dentist or psychologist or a supplementary health service profession contemplated in section 32 of the Act.

SCHEDULE

1. The company's memorandum or articles of association shall provide that all present and past directors shall be liable jointly and severally, together with the company, for the debts and liabilities of the company contracted during their period of office.
2. Only natural persons who are registered in terms of the Medical Dental and Supplementary Health Service Professions Act, 1974 (Act No. 56 of 1974), and practise the profession of medical practitioner, dentist or psychologist or a supplementary health service profession contemplated in [section 32](#) of the Act (hereinafter termed a practitioner in each case) or a company all the directors and shareholders of which are practitioners (hereinafter termed a corporate member) shall be shareholders of the company and have an interest in its shares: Provided that a corporate member shall not have an interest in or control, own or acquire more than 24 per cent of the issued share capital of the company.
3. Only a person who is a practitioner shall be a director of the company.
4. If a shareholder of the company or a person with an interest in the shares of the company dies or ceases to conform to any requirement of item 2, his estate or the person concerned, as the case may be, shall for a period of six months from the date on which he dies or ceases so to conform continue to hold the shares or interest concerned or for such longer period as the South African Medical and Dental Council (hereinafter termed the Council) may approve,
5. Any share contemplated in item 4 shall not entail any voting rights and a shareholder mentioned therein shall not act as the director of the company or receive, directly or indirectly, any director's fees or remuneration or share in the income of or profit earned by the company.
6. Only an authorised agent who is a shareholder of the company may speak or vote on behalf of a shareholder at a meeting of the company.
7. Each shareholder may practice personally only the profession in respect of which he is registered in terms of the Act.

8. Each shareholder shall remain subject personally to the provisions of the Act and the disciplinary authority of the Council,
9. No person, whether a natural person or a juristic person, may directly or indirectly in any manner whatsoever share in the profits or income of the company or have an interest therein unless he is a shareholder of the company.
10. If the company at any time neglects or omits to comply with any of the conditions of this Schedule, such neglect or omission shall constitute conduct on the part of the directors or shareholders in respect of which the Council may take disciplinary steps.