

Maximizing your clinic's success: A legal guide to moving, expanding, or transferring a clinic

Mitchel Cunningham

ASSOCIATE, BUSINESS LAW GROUP

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About Mitchel Cunningham



I am a lawyer.

I practice in the areas of:

- Business
- Commercial
- Corporate
- Real Estate



Overview of Presentation:

- Growing and existing clinic
- Structuring the acquisition or disposition of an existing clinic
- Due diligence in an acquisition
- Valuing an existing clinic
- Tax consideration in an acquisition or disposition
- Employment and labour considerations in an acquisition or disposition.
- College of Physicians and Surgeons of British Columbia Requirements for leaving practice

Growing or scaling an existing clinic

Some considerations for growing or scaling an existing clinic include, without limitation:

- Patients
- Personnel
- Space
- Intellectual property; and
- Operations optimization



Structuring the acquisition or disposition of an existing clinic

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There are two common forms used to structure acquisitions and dispositions of clinics in Canada:

- Share purchase transactions; and
- Asset purchase transactions

Due diligence in an acquisition

Due diligence: The process undertaken by the buyer to familiarize itself with the business and the assets of the seller or the target clinic.



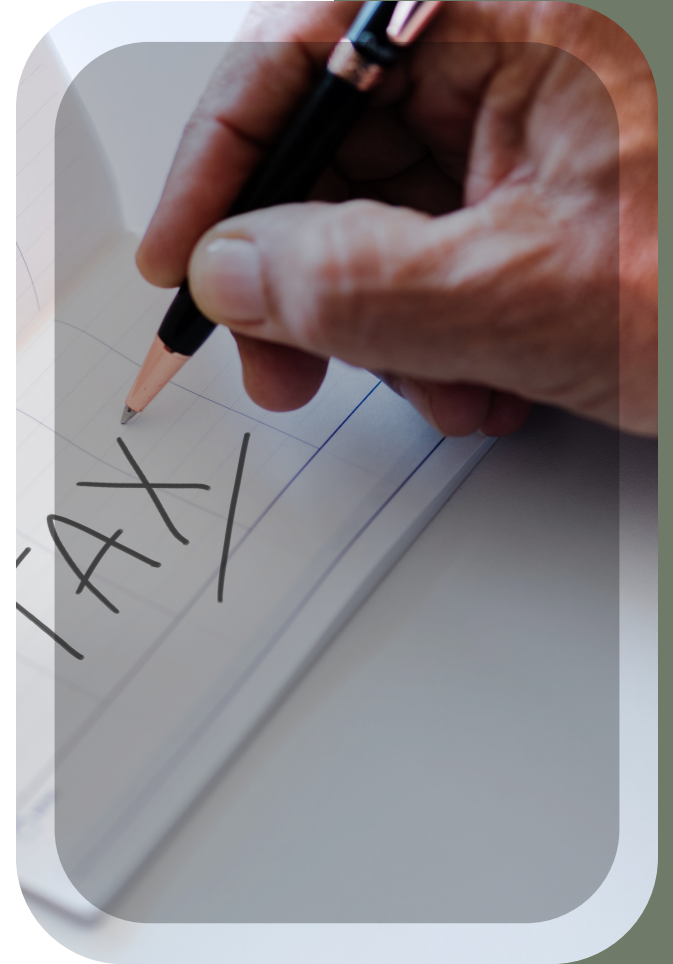
Valuing an existing clinic

- **Fair market value** — The highest price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arm's length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts.

Tax considerations in an acquisition or disposition

Tax considerations include, without limitation:

- > Income taxes; and
- > Sales taxes



Employment and labour consideration in an acquisition or disposition

Employment and labour considerations include:

- Buyer's obligations;
- Asset versus share transactions;
- Re-hiring employees;
- Employment agreements; and
- Changing terms of employment



College of Physicians and Surgeons of British Columbia Requirements for leaving practice

The College of Physicians and Surgeons of British Columbia has set out practice management considerations to ensure the continuity of patient care and the preservation of patient records in situations where registrants cease to practice, take an extended leave of absence, or close/relocate their medical practice governing:

- Notification;
- Medical records;
- Patients requiring ongoing care; and
- Return of pharmaceuticals

Q&A

CONTACTS:

- Business Pathways
businesspathways@doctorsofbc.ca
- Watson Goepel LLP
mcunningham@watsongoepel.com

Thank you

Mitchel Cunningham

ASSOCIATE, BUSINESS LAW GROUP



mcunningham@watsongoepel.com



604 631 4361



watsongoepel.com