

# DENTAL CORPORATION ACT

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## DENTAL CORPORATION ACT

Section.

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4-29-411. Shares of deceased or disqualified shareholder - Price.

**Effective Dates.** Acts 1961, No. 471, §19: Mar. 16, 1961.

Emergency clause provided. "It is hereby determined that it is expedient immediately to amend the corporation laws of this State in order to provide necessary correlation between them and the practice of dentistry, in corporate form, so that adequate regulation, safeguards and supervision may be provided for the public peace, health, safety and welfare. An emergency is therefore declared to exist and this act being necessary therefore, the same shall be effective from and after its passage and approval."

### **4-29-401. TITLE**

This subchapter may be cited as the "Dental Corporation Act."

**History.** Acts 1961, No. 471, §1; A.S.A. 1947, §64-1801.

### **4-29-402. APPLICATION OF THE ARKANSAS BUSINESS CORPORATION ACT**

1. The Arkansas Business Corporation Act, §4-26-101 et seq., shall be applicable to such corporations, including their organization, except that the required number of incorporators of a dental corporation shall be one (1) or more, and they shall enjoy the powers and privileges and be subject to the duties, restrictions and liabilities of other corporations, except so far as the same may be limited or enlarged by this subchapter.
2. If any provision of this subchapter conflicts with the Arkansas Business Corporation Act, §4-26-101 et seq., this subchapter shall take precedence.

**History.** Acts 1961, No. 471, §3; 1970 (Ex. Sess.), No. 13, §6; A.S.A. 1947, §64-1803.

#### **4-29-403. DENTIST - PATIENT RELATIONSHIP UNALTERED**

This subchapter does not alter any law applicable to the relationship between a dentist furnishing dental service and a person receiving the service, including liability arising out of the service.

**History.** Acts 1961, No. 471, §15; A.S.A. 1947, §64-1815.

#### **4-29-404. FORMATION OF CORPORATION - EMPLOYEE LICENSING REQUIRED**

One (1) or more persons licensed pursuant to the Arkansas Dental Practice Act, §17-82-101 et seq., may associate to form a corporation pursuant to the Arkansas Business Corporation Act, §4-26-101 et seq., to own, operate and maintain an establishment for the study, diagnosis and treatment of dental ailments and injuries and to promote dental and scientific research and knowledge. However, treatment, consultation or advice may be given by employees of the corporation only if they are licensed pursuant to the Arkansas Dental Practice Act, §17-82-101 et seq.

**History.** Acts 1961, No. 471, §2; 1970 (Ex. Sess.), No. 13, §5, A.S.A. 1947, §64-1802.

#### **4-29-405. CORPORATE NAME**

1. The corporate name shall contain the names of one (1) or more of the shareholders. However, the name of a person who is not employed by the corporation shall not be included in the corporate name, except that the name of a deceased shareholder may continue to be included in the corporate name for one (1) year following the decease of the shareholder.
2. A corporation organized under this subchapter need not include in its name the reference to corporation, incorporation, company, or the abbreviations "Co." or "Inc." as the same is now required of business corporations.

**History.** Acts 1961, No. 471, §4; A.S.A. 1947, §64-1804.

#### **4-29-406. OFFICERS, DIRECTORS AND SHAREHOLDERS**

All of the officers, directors and shareholders of a corporation subject to this subchapter shall at all times be persons licensed pursuant to the Arkansas Dental Practice Act, §17-82-101 et seq. No person who is not so licensed shall have any part in the ownership, management or control of the corporation, nor may any proxy to vote any shares of the corporation be given to a person who is not so licensed.

**History.** Acts 1961, No. 471, §14; A.S.A. 1947, §64-1814.

#### **4-29-407. EMPLOYEES**

Each individual employee licensed pursuant to the Arkansas Dental Practice Act, §17-82-101 et seq., who is employed by a corporation subject to this subchapter shall

remain subject to reprimand or discipline for his conduct under the provisions of the Arkansas Dental Practice Act, §17-82-101 et seq.

**History.** Acts 1961, No. 471, §16; A.S.A. 1947, §64-1816.

**4-29-408. CERTIFICATE OF REGISTRATION - ISSUANCE, RENEWAL, ETC.**

1. No corporation shall open, operate or maintain an establishment for any of the purposes set forth in §4-29-404 without a certificate of registration from the Arkansas State Board of Dental Examiners.
2. Application for the registration shall be made to the Board in writing and shall contain the name and address of the corporation and such other information as may be required by the Board.
3.
  - A. Upon receipt of the application, the Board shall make an investigation of the corporation;
  - B. If the Board finds that the incorporators, officers, directors and shareholders are each licensed pursuant to the Arkansas Dental Practice Act, §17-82-101 et seq., and if no disciplinary action is pending before the Board against any of them, and if it appears that the corporation will be conducted in compliance with law and regulations of the Board, the Board shall issue upon payment of a registration fee of twenty-five dollars (\$25.00) a certificate of registration which shall remain effective until January 1 following the date of the registration.
4. Upon written application of the holder, accompanied by a fee of ten dollars (\$10.00), the Board shall annually renew the certificate of registration if the Board finds that the corporation has complied with its regulations and the provisions of this subchapter.
5. The certificate of registration shall be conspicuously posted upon the premises to which it is applicable.
6. In the event of a change of location of the registered establishment the Board, in accordance with its regulations, shall amend the certificate of registration so that it shall apply to the new location.
7. No certificate of registration shall be assignable.

**History.** Acts 1961, No. 471, §§5-9; A.S.A. 1947, §§64-1805 -- 64-189.

**4-29-409. CERTIFICATE OF REGISTRATION - SUSPENSION OR REVOCATION**

1. The Arkansas State Board of Dental Examiners may suspend or revoke any certificate of registration for any of the following reasons:

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- A. The revocation or suspension of the license to practice dentistry of any officer, director, shareholder or employee not promptly removed or discharged by the corporation;
  - B. Unethical professional conduct on the part of any officer, director, shareholder or employee not promptly removed or discharged by the corporation;
  - C. The death of the last remaining shareholder; or
  - D. Upon finding that the holder of a certificate has failed to comply with the provisions of this subchapter or the regulations prescribed by the Board.
2. Before any certificate of registration is suspended or revoked, the holder shall be given written notice of the proposed action and the reasons and shall be given a public hearing by the Board with the right to produce testimony concerning the charges made. The notice shall also state the place and date of the hearing, which shall be at least five (5) days after service of the notice.

**History.** Acts 1961, No. 471, §§10, 11; A.S.A. 1947, §§64-1810, 64-1811.

### **49-29-410. CERTIFICATE OF REGISTRATION - APPEAL FROM DENIAL, SUSPENSION, OR REVOCATION**

1. Any corporation whose application for a certificate of registration has been denied or whose registration has been suspended or revoked may, within thirty (30) days after notice of the action by the Board, appeal to the Pulaski County Circuit Court.
2. The Court shall inquire into the cause of the Board's action and may affirm or reverse the decision and order a further hearing by the Board, or may order the Board to grant appellant a certificate of registration.
3. The appeal shall be in the manner provided by law.
4. Notice of appeal shall be served upon the secretary of the Board by serving the secretary a copy thereof within thirty (30) days after the Board has notified the appellant of its decision. The service may be by registered or certified mail.

**History.** Acts 1961, No. 471, §§12, 13; A.S.A. 1947, §§64-1812, 64-1813.

### **4-29-411. SHARES OF DECEASED OR DISQUALIFIED SHAREHOLDER - PRICE**

If the articles of incorporation or bylaws of a corporation subject to this subchapter fail to state a price or method of determining a fixed price at which the corporation or its shareholders may purchase the shares of a deceased shareholder or a shareholder no longer qualified to own shares in the corporation, then the price for the shares shall be the book value as of the end of the month immediately preceding the death or

disqualification of the shareholder. Book value shall be determined from the books and records of the corporation in accordance with the regular method of accounting used by the corporation.

**History.** Acts 1961, No. 471, §17; A.S.A. 1947, §64-1817.