

Chapter 4

Regulations on Practice

Act	GR	Bylaws
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9(1)(f)

9(1)(t)

Parts 1,
2, 3

Introduction

This chapter discusses the controls placed on the practice of architecture and interior design in Alberta. Chapter 2 set out the more *general* restrictions established in the codes of ethics. This chapter will discuss the more *specific* restrictions on practice contained in the Act, regulation and bylaws. Section 9(1)(f) and section 9(1)(t) (for licensed interior designers) of the Act gives Council the right to make regulations governing “**technical standards for the practice of architecture.**” In addition, many other provisions in s. 9 of the Act give Council the authority to make regulations on practice. The majority of the rules governing the practice of authorized entities are found in various provisions of the GR.

A major topic of discussion will be the rules governing registered architects and licensed interior designers. While Part 1 of the GR deals extensively with establishing various business vehicles, s. 66 of the Act confirms that the provisions of the Act, GR and bylaws apply to all registered architects and restricted practitioners whether or not they are acting as an employee of one of these firms. Other topics covered by Parts 2 & 3 of the GR include the requirements regarding names and letterhead, competitions, the business dealings of members with their clients and with others in the building industry as well as the use of seals and stamps.



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9 (1)(p)

1, 19, 26

Fees, Licenses and Unauthorized Persons

Fees and Licenses

Council has the authority to make regulations regarding licensing. These regulations require each architectural and interior design firm to acquire a license, pay the license fee and forward to Council any information required under the bylaws. The word “firm” is defined in the GR as **“a practice arrangement as referred to in section 26.”** Under section 26 of the GR, these practice arrangements include a sole proprietor, a partnership, an architect corporation, an architect and engineer firm, or an interior design corporation.

Unauthorized Persons

Authorized entities are forbidden from making arrangements which permit someone not entitled to practice architecture or interior design to practice these professions or hold themselves out as being permitted to practice them.

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Conditions of Practice:

Architects Corporations and Interior Design Corporations

Architects corporations and interior design corporations can only practice architecture or interior design under their corporate name or another name approved by Council. A corporation must inform the Registrar of the names of all its shareholders, directors, and officers and must promptly notify the Registrar of changes to this information. All plans, drawings, detailed drawings and specifications which are stamped by the corporation must also be signed and stamped or sealed by the architect or interior designer who had **“personal supervision, direction and control over their preparation.”** This rule also applies to joint firms. See Chapter 5 of this booklet for requirements/process for registering corporations.

25,
26.1(1)

Joint Firms

A Joint firm can practice architecture and engineering under the names of its partners, its corporate name or any other name approved by Council pursuant to the regulations. Joint firms must keep the Registrar informed of the names of all their shareholders, directors or officers and all engineers or registered architects working for the firm. A joint firm can only represent itself as an “architects and engineers” firm or vice-versa if it has both architects and engineers as either shareholders or partners in a manner satisfactory to either Council or the council of the Engineers Association. Having employees only, and not partners or shareholders who are architects or engineers, is not sufficient.

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Safety Codes Act Permits

Upon the recommendation of the Joint Board (discussed in Chapter 5), Council may allow a professional engineer to apply for a permit under the *Safety Codes Act* “**without the final design drawings and specifications of the building having the seal of a registered architect.**”

Partnerships

This section deals with the regulations placed on partnerships that practice architecture or licensed interior design. A “partnership” exists when three factors are present:

1. A relationship between two or more people;
2. Carrying out a business in common;
3. With a view to generating a profit.

Unlike an individual or corporation, a partnership has no separate legal existence; the law simply views it as a group of individuals or corporations carrying out a business in common. There is no provision in the Act, regulation or bylaws providing for the registration of partnerships with the Association.

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However, s. 32 of the GR does require partnerships to acquire a license from the Association in order to practice. In addition, much of the GR governs the activities of partnerships practicing architecture or interior design. The most important of these provisions is in s. 25 of the GR, which states that architects and licensed interior designers cannot enter into a partnership or other arrangement without complying with the Architects Act and the GR.

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However, a quick word of warning is required before beginning this discussion. The rules set out below indicate what constitutes a *permissible partnership under the Act*. They in no way set out the requirements for the existence of a partnership. Partnerships require no legal formalities; they come into existence simply when the three criteria set out above are met. Furthermore, the intention of the parties is not determinative. For example, an agreement between individuals that states explicitly that there is to be no partnership between them is irrelevant if their agreement meets the criteria of a partnership. Given the substantial implications of a finding that a partnership exists, including the liability of each partner for all of the debts of the partnership, careful consideration should be given to any business arrangements. If two or more architects or firms work on a project together they could be deemed to constitute a partnership.



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3	26, 33/34	<p>Permissible Partnerships</p> <p>Architects may enter into a partnership with any combination of registered architects or architect corporations.</p> <p>Licensed interior designers may enter into a partnership with any combination of licensed interior designers or interior design corporations.</p>
	33(3)	<p>Partnerships with Engineers Firms (Joint Firms)</p> <p>Architects can enter into partnerships with engineers' firms or any number of engineers. However, they must get a permit to practice in both areas under the Act or the <i>Engineering, Geological and Geophysical Professions Act</i>, and must meet the registration requirements for joint firms as set out in the Act and the GR.</p>
	33, 34	<p>The Majority Rule</p> <p>Architects may enter into partnerships with non-architects provided that the architects in the firm hold a majority interest.</p> <p>In addition, any non-architects who enter into a partnership with architects must meet certain requirements. They must be of good character, must not practice architecture and must be found satisfactory to the council.</p> <p>The above rules also apply to licensed interior designers who enter into partnerships with other individuals or corporations.</p>
	33(1), 34(1)	<p>Exception to the Majority Ownership Rule</p> <p>Special rules apply when architects and licensed interior designers form partnerships with members of certain professions. If an architect or architects enter into a partnership with licensed interior designers, professional engineers or both, then they need only hold a 50% interest in the partnership rather than a majority. However, if anyone other than a member of these three professions becomes a partner, then the architects must comply with the majority ownership rule.</p> <p>Likewise, if a licensed interior designer or licensed interior designers enter into a partnership with registered architects, they need only hold a 50% interest in the partnership rather than a majority.</p>



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9(1)(h)	33(2), 34(2)		<p>Dissolution of Partnership</p> <p>In relation to a partnership which requires one or more architects or licensed interior designers to hold a majority interest, the partnership is terminated if they cease to hold a majority interest.</p> <p>However, the partnership can apply to Council for permission to continue operating while it reorganizes to comply with the majority rule. If granted, this period lasts for a maximum of 21 days or for any other period Council authorizes.</p>
	27(1), (2) and (6), 28(1), (2) and (6)		<p>Names</p> <p>The Act allows for regulations <i>“governing the names under which authorized entities may engage in the practice of architecture.”</i> The detailed regulations are found in s. 27 and 28 of the GR.</p> <p>Firm Names</p> <p>An authorized entity engaging in the practice of architecture or licensed interior design may only engage in practice if the name of the firm meets the following criteria:</p> <ul style="list-style-type: none"> • meets the requirements as set out in the GR under ss. 27, 28 • contains the word “architect”, “architects”, “architectural” or “architecture” for an architect firm or • contains the words “licensed interior design” or “licensed interior designer” for an interior design firm • is not self-laudatory or misleading to the public, and • is approved by Council. <p>The name of the firm can only include the name of one or more individuals if these individuals are: partners or shareholders in the firm, and registered architects, licensed interior designers, engineers or restricted practitioners. In addition to this, at least one of the names included in the firm name must be a partner or shareholder in the firm who is a registered architect (for architect firms), or who is a licensed interior designer (for an interior design firm).</p> <p>Council shall not approve a name for the purposes of ss. 27 or 28 if the name of the firm does not meet the requirements of these sections or is contrary to the Act.</p>
	27(3)		<p>Use of Plural</p> <p>The name of an architect firm must not include the word “architects” or any other term that implies that more than one architect is involved in the firm unless more than one registered architect works with the firm as a partner or shareholder.</p>



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	28(3)	The name of an licensed interior design firm must not include the words “licensed interior designers” or any other term that implies that more than one licensed interior designer is involved in the firm unless more than one licensed interior designer works with the firm as a partner or shareholder.
	27(4), 28(4)	Retired or Deceased Architects or Licensed Interior Designers Firm names may include the names of deceased or retired architects or licensed interior designers provided:that individual <ol style="list-style-type: none">1. was a shareholder or partner in the firm for longer than 3 years,2. that individual or his/her estate has given permission in writing for his or her name to continue to be used and3. if the architect or licensed interior designer is retired, he or she must not be practicing this profession in any jurisdiction.
	27(5)	Restricted Practitioner If the name of a firm includes the word “architect”, “architects”, “architectural” or “architecture”, a restricted practitioner may not engage in the practice of architecture through this firm, unless a registered architect is a partner or shareholder of the firm.
		Requirement for Trademark Although there is no specific requirement for trademark registration noted in the Act or bylaws, there are circumstances where such registration is required in order to ensure transparency and protection of the public interest, and to meet the requirement in sections 27(1)(c) and 28(1)(c) that the name not be “misleading to the public”. Some rules regarding the requirement for the use of trademarks include: <ul style="list-style-type: none">• A firm name that contains the name of an architect who is not registered in Alberta is not permissible. Using the names of individuals who have never been registered in Alberta is branding. A firm can use the name, but must make it official by registering a trademark. Otherwise, the firm would be allowed to ride on the goodwill of the names from elsewhere, and mislead the public into assuming the architects in the name were involved in the Alberta firm.• It is permissible to continue to use the name of members who have died or retired so long as the requirements of ss. 27(4) and 28(4) of the GR are met and there continues to be some affiliation with the firm. When involvement does end, the name becomes a brand and must be trademarked.• If the firm name is commercially recognizable as part of a multi-location firm, then the applicant must register a trademark or provide proof of permission to use the already registered trademark as an indication to the public of the affiliation with the parent company.



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Letterhead and Business Cards

Council must approve the letterhead and business cards of a firm before they are used and must approve any subsequent changes made to them.

Content

The content of letterhead must conform to the following rules:

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- The letterhead of a firm must show the names of all individuals and corporations who are partners or shareholders, or the individuals and corporations who hold the beneficial ownership of the voting shares of a corporation that is a partner or shareholder of the firm and that are involved in the practice of the firm. If two or more professions are being practiced within the firm, the names of these professions and the individuals entitled to practice them must be listed.
- If the letterhead or business cards of a firm includes the name of:
 - A registered architect, the name must be followed by the words “Architect, AAA”
 - A licensed interior designer, the name must be followed by the words “Licensed Interior Designer, AAA”
 - An engineer, the name must be followed by the words “Professional Engineer”
 - A restricted practitioner, the name must be followed by the words “Restricted Practitioner in Architecture, AAA” or
 - Any other person, the name must be followed by a description of the person’s role in the firm.
- A firm cannot list as an architect any person or corporation not allowed to practice architecture.
- If the firm name includes the name of an architect who is retired or deceased, the firm’s letterhead must clearly show that the architect is retired or deceased.

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The Business of Practice

The following rules deal with the involvement of authorized entities in the building industry. The purpose of most of these rules is to prevent conflicts of interest in which a member may be tempted to put their own interests or the interests of another over the interests of his/her clients. The rules set out below are not an exhaustive list of prohibited conduct. The codes of ethics requires architects and licensed interior designers to promptly inform clients of any potential conflict of interest, not just in the specific situations set out below.

Competitions

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Authorized entities cannot participate in a competition unless the competition or limited competition conditions comply with the standards approved by Council.

Trading in the Building Industry

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Authorized entities hired by a client for a project may not act as contractors or engage in “*supplying building materials, furnishing, accessories or systems*” to be used in the work either “*directly or indirectly.*”

The above rule does not apply if an authorized entity are acting for themselves “*in a personal manner*” or have prior written permission from the client to act as a contractor or supplier.

Advising Contractors

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Authorized entities may act as advisors to a “*contractor, manufacturer, supplier or other person*” engaged in a business related to building systems or materials provided they are not paid by “*commission, salary, sales, profit or in a similar manner.*”

Inducement to Employ or Use Material

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No authorized entity shall accept *any* form of remuneration or inducement to contract out work or employ certain contractors, systems, furnishings, materials or accessories in a project.

Written Agreements

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Authorized entities may only perform professional services for a client with a written agreement describing the services provided and the method for determining remuneration. The only exceptions to this rule are when Council issues a direction stating that no written agreement is needed or, in the case of authorized entities, if they are participating in a competition conforming to the standards in s. 37 of the GR.

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	42	<p>Site Reviews</p> <p>Authorized entities are required to perform site inspections during construction of a building they have designed unless:</p> <ol style="list-style-type: none"> 1. they notify, in writing, the authority granted jurisdiction under the building code that is in force in the area where the project will be constructed, that they will not be doing such inspections. 2. they notify, in writing, the building’s owner of the potential consequences of not performing such inspections.
	43	<p>Successor Architects or Licensed Interior Designers</p> <p>An authorized entity who wants to work on a project that another authorized entity was formerly working on must inform the other authorized entity and Council of this intention in writing. Before accepting an offer to work on the project, the authorized entity must be satisfied that any prior agreement between the client and the other authorized entity has ended.</p>
10(1)(n)		<p>Use of Seals and Stamps</p> <p>Seals and stamps signify the exercise of professional authority, and the Act sets out specific rules on their use. Alberta legislation requires that certain documents for certain projects must be stamped or sealed by a professional. Only designated professionals are entitled to exercise this important privilege.</p>
2(2)(c)		<p>Exclusive Use of Seals and Stamps</p> <p>Only registered architects, visiting project architects, architects corporations, architect and engineering firms can affix or allow someone else to affix their seal or stamp to an original or copy of a “plan, drawing, detail drawing, specification or other document,” unless the work was prepared under their direction and the seal or stamp was affixed with their permission.</p> <p>Similarly, an authorized interior designer may not affix the stamp of a licensed interior designer, interior design corporation or visiting project interior designer unless the same conditions are met.</p>
	98.1	<p>Use of Seals and Stamps</p> <p>A seal issued to an authorized entity must at all times remain under the direct control of the authorized entity and must be applied by the authorized entity or by a person acting under the immediate and direct control of the authorized entity to all plans, specifications, reports or documents of a professional nature that have been authored by the authorized entity, or where it has been prepared under the supervision of the authorized entity and for which the authorized entity assumes professional responsibility.</p>



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		<p data-bbox="394 435 457 456">84-96</p> <p data-bbox="508 427 1787 483">A seal must be accompanied by the signature of the authorized entity to whom it is issued and the date on which the seal is applied.</p> <p data-bbox="508 529 1398 553">A seal may only be used while the authorized entity is registered pursuant to the Act.</p> <p data-bbox="508 599 1787 691">A registered architect must either press the seal over his/her signature or sign over the seal impression each time the seal is used, so that the signature and the stamp/seal are combined. The same rules apply when a restricted practitioner, licensed interior designer or visiting project interior designer uses his/her stamp.</p> <p data-bbox="508 737 1770 794">In addition to using their stamps, visiting project architects must also impress documents with the seal issued to them in the jurisdiction where they are permitted to practice architecture.</p> <p data-bbox="508 839 1797 932">In the case of an architect corporation, both the corporation's stamp and the seal of the registered architect responsible for the work must be placed on documents that require a seal or stamp. For an interior design corporation, the responsible licensed interior designer and the corporation must both stamp the documents.</p> <p data-bbox="508 1187 1283 1211">Please click here to complete the Question and Answer for this chapter.</p>

