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THE HUMAN SIDE OF CORPORATE BUSINESS

Federal Corporate Name Policy: The Two-year Protection Rule as Applied Under the C.B.C.A.

Context

An applicant for a federal incorporation often believes that because a corporate name is no longer being used (pursuant to a dissolution, an amalgamation or a name change) that it is automatically available. Another applicant may believe that because he is affiliated to the corporation who no longer uses its name, that he can adopt the identical name without justification.

Summary of Policy

A name identical or similar to that of a company that has been dissolved, has amalgamated under another name or has changed its name is not available (whether affiliated or not) for two years after the date of dissolution, amalgamation or

name change. The purpose of this policy is to allow the public time to disassociate the name being used by a new company from a company who had used it before.

Example: Your client proposes the name MYTO TECHNOLOGIES CANADA INC. on January 15, 2002. A preliminary search finds a corporation from Ontario called MYTO TECHNOLOGIES LTD. that was dissolved on June 15, 2000.

Decision: In this situation, even though the corporation was formed under the laws of Ontario, Industry Canada will grant it a two-year protection. The proposed name is therefore not available because it is confusing with a name to which the two-year protection applies pursuant to the regulations.

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NEW!

Our federal by-laws have been updated
to reflect the amendments introduced
by Bill S-11.

They are available in hardcopy
or electronic format. To order, call
Mr. Mathieu Boivin at
(514) 861-2799 ext. 344.

CONFERENCES / WORKSHOPS IN QUEBEC CITY

(SEE DETAILS ON PAGE 3)



Federal Corporate Name Policy (continued)

Possible ways to obtain the name

- Obtain a signed consent that is dated prior to the date of dissolution;
- In the case of a company that has amalgamated or has changed its name, the consent may be the same date as the request because the entity is still in existence;
- Demonstrate to Industry Canada that there are differences between the two companies (e.g.: line of business) that prevent confusion by the public (arguments based on Reg. 20).

When Forming a Successor Corporation

Ex.: Applicant: MYTO TECHNOLOGIES (2002) LTD.

Prior to the two-year period

In the case of a company that has been dissolved, it will be necessary to file a signed consent that is dated prior to the date of dissolution. This is required even if the applicant is an affiliated company (i.e.: same group of directors). This is true as long as the application is made within the two-year period.

After the two-year period

The proposed name becomes available to anyone without the need for a consent, as long as no name likely to be confusing with the proposed name exists when the application is made.

Distinction with Provincial Rules

In Quebec, there is no such “two-year” rule. Therefore, the name of a company that has been dissolved, amalgamated or whose name has changed will be immediately available, provided that, in the case of an identical name, the previous name has been removed from the Cidreq Register.

Turnaround Schedule for Corporate Services as of February 1st, 2002

SERVICES	PROVINCIAL	FEDERAL
TaxExpress™ (GST / QST / QDAS)	3 to 5 days	—
Name Search Report and Reservation	*24 hours	24 hours
Certificate of Incorporation (Paper filing)	*2 to 3 days	2 days
Certificate of Incorporation (electronic filing) Incoweb™	—	6 to 8 hours
Certificate of Amendment	*2 to 3 days	2 days
Certificate of Continuation, of Continuance or of Amalgamation	*1 week	3 to 6 days
Certificate of Dissolution	5 to 6 weeks	2 to 3 days
Notice of Change (Federal) or Amending Declaration (Quebec)	4 to 5 weeks	2 days
Letters Patent for Non-Profit Corporations	*1 week	20 days
Attestation / Certificate of Good Standing or of Compliance	*24 hours	48 hours
Revival	—	3 to 6 days
Initial Declaration	1 to 2 weeks	—
Declaration of Registration	*1 to 2 weeks	—
Annual Declaration	*5 to 6 weeks	—
Revocation of Striking-Off (s. 54 Legal Publicity Act)	*5 days	—

The turnaround times may vary slightly according to each file () = Priority service available.*

A word of thought...

“Never believe that a few caring people can’t change the world. For indeed, that’s all who ever have.”

Margaret Mead (1901-1978) - Anthropologist.

I N C O W E B™

Winners of the Christmas Draw

The Christmas draw for users of the Incoweb™ online incorporation system was held on December 21, 2001. Every incorporation transmitted via Incoweb™ gave the users a chance at winning one of three prizes valued at \$100 each. The winners were:

- Ms. Carole Jeanrie of the firm *Services conseils EPR inc.*, in St-Jerome;
- Mr. Louis Asselin of the firm *Huot Laflamme*, in Quebec City; and
- Ms. Diane Parker of the firm *Davies Ward Phillips & Vineberg*, in Montreal.

Congratulations to the winners!

Don't forget the upcoming Grand Prize that will be awarded to the user having transmitted the greatest number of incorporations as of January 31, 2002. The winner will be announced in our next issue.

Tips and Tricks

Incoweb™ is a powerful tool for creating new corporations yet it is remarkably simple to use. In fact, it can take as little as 2 minutes to create and transmit an incorporation! You need only duplicate an existing file (or a template file), fill in a few data fields and then transmit. It's that simple!

To see a demonstration of the Incoweb™ system or to register, please call Ms. Anne Roy at (514) 861-2799 ext. 337.

Conferences / Workshops in Quebec City

C.R.A.C. is inviting our clients in the Quebec City region to attend a series of upcoming conferences that will take place in March 2002 at Laval University (the address will be available upon registration).



Topics:

1. Confusion and Corporate Names — March 14, 2002
2. Technical Aspects of Amalgamations — March 21, 2002
3. Trade-marks – The Interview and General Principles — March 28, 2002

Held in Montreal last year, these conferences have been updated to take into account the most recent developments. To register for any or all of the three conferences, please complete and return the form below. Please consult our web site (www.crac.com at "What's New?") for more information. We look forward to seeing you there!

Free of charge

I wish to register for the following workshop:

Confusion and Corporate Names Amalgamations Trade-marks

First and Last Name: _____ Title: _____

Name of Firm: _____ CRAC account no.: _____

Telephone: (____) _____ Fax: (____) _____ E-mail: _____

Send this registration form at the following fax number: **(514) 861-2751**
c/o Ms. Anne ROY (aroy@crac.com)
For more information: (514) 861-2799, ext. 337 / Toll free: 1-800-361-5744

Seating is limited so register early.
NOTE : Priority will be given to clients having active accounts with C.R.A.C.