



Info-CRAC®

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THE HUMAN SIDE OF CORPORATE BUSINESS

Can I use my personal name as a corporate name?

It is said that a business is the reflection of its owner. Not surprisingly, certain entrepreneurs seek to associate their name to their business. A mark of confidence and pride, no doubt. However, the granting of such a name as a corporate name is far from being automatic. Let's take a look at the general rules that apply.

Federal

It is surprising how regulated the process is of authorising a corporate name comprised of a person's name. Detailed administrative policies, which stem from Sections 12(1)(a) of the C.B.C.A. and Sections 24(1)(b) and 26 of the Regulations, cover a variety of situations dealing with the use of a name or surname in a proposed corporate name. Let us examine a common situation.

Message to all our clients

The Holiday Season is around the corner. So many things to do that can make it difficult to find the time to enjoy this wonderful time of year.

Unfortunately, we can be of no help in your Holiday shopping (unless you intend to offer a corporate seal!).

We can however, help you process your corporate files. Our qualified team can save you time. As for electronic incorporations, our Incoweb® system can also help (See page 3). Two ways to save you precious time.

Time for simple things such as... a winter stroll in the forest listening to the silence, to share some laughs with kids young and old alike, or simply to give thanks for those you hold dear and for the million precious gifts life sends your way every day...

From all of us at CRAC, our sincerest wishes for a restful Holiday Season and a healthy and happy New Year.

General Rule

You can use your first name and surname, but not alone. *Example:* "John Doe Ltd." is not acceptable but "John Doe Computers Ltd." would be acceptable, provided of course it is not confusing with an existing business name. For instance, our proposed name would be refused if there existed the name "John Doe Software Ltd.". However, it is possible to overcome a refusal based on confusion by showing, for example, that this latter company is located in Alberta, and ours in Montreal. Another mitigating factor would be to show that the companies deal in different activities (computer consultants vs. sale of computer games).

Filing a Consent

In our example, a written consent for the use of the name of Mr. John Doe is required. The consent must disclose Mr. Doe's material interest in the proposed corporate name. However, if John Doe is an incorporator or a director, no consent is required. Furthermore, no consent is required when the name is clearly that of a fictitious historic or literary figure. In the specific case of a fictitious name, an affidavit signed by a principal of the company is required. The principal must state that the name is that of a fictitious person and not of a person known to him personally.

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Can I use my personal name... (cont'd)

There are several other different situations such as:

- Using two or more surnames;
- When the surname is also a first name (ex.: Martin Consultants Inc.);
- When the surname also has a generic meaning (Star Shoes Ltd.);
- Use of the expression "associates".

Provincial (QC)

At the provincial level, the granting of such a name is very simple because there are fewer rules and controls applied by the authorities. As long as the proposed name is not identical to an existing business name appearing on the provincial register (CIDREQ), it will be granted.

Example: John Doe Inc. will be accepted if the search report that must accompany the articles of incorporation only shows "John Do, Inc.". Also, no consent form is required. However, it is important to realise that said name could subsequently be challenged by an interested third party on the basis that it is confusing with another existing name or that it is misleading. This would probably be the case if the surname were of someone who did not have a material interest in the company (Sections 123.27.1 Ss. and 9.1 of the Q.C.A. and Section 83 of the A.R.L.P.).

Conclusion

Although summary, the above review does illustrate that rules are much simpler at the provincial level. And for businesses, this is important. There does exist a greater sense of security for corporate names granted at the federal level. And yet, the provincial process, though exceedingly simple, appears to be functioning adequately. Ultimately, it is one of several factors to consider before choosing a jurisdiction. And in either case, a prior search is the best way to avoid refusal by Federal authorities or contestation by a third party provincially.

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

SERVICES	PROVINCIAL	FEDERAL
TaxExpress™ (GST / QST / QDAS)	2 - 3 days	3 - 5 days
Name Search <u>with</u> Reservation	*24 hours	24 hours
Name Search <u>without</u> Reservation	3 hours	—
Certificate of Incorporation (Paper Filing)	*3 - 4 days	2 days
Certificate of Incorporation (Incoweb™ Electronic Filing)	*3 - 4 days	6 - 8 hours 2 hrs if numeric
Certificate of Amendment	*7 - 8 days	2 days
Certificate of Continuation, of Continuance or of Amalgamation	*2 weeks	3 - 6 days
Certificate of Dissolution	2 - 3 weeks	2 - 3 days
Notice of Change (Federal) or Amending Declaration (Quebec)	2 - 3 weeks	2 - 3 days
Letters Patent for Non-Profit Corporation	*1 week	25 days
Attestation / Certificate of Good Standing and Certificate of Compliance	*24 hours	48 hours
Revival	—	3 - 6 days
Initial Declaration	2 - 3 weeks	—
Declaration of Registration	*2 - 3 weeks	—
Annual Declaration	*5 - 6 weeks	—
Revocation of Striking-Off (s. 54 L.P. Act)	*1 - 2 weeks	—

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

Food for Thought

"Love is not to look into each other's eyes.
Rather, it is to look together in the same direction".

Antoine de Saint-Exupéry,
author

Time for the Holiday Season... with IncoWeb®

Does a “same date” incorporation sound familiar? At this time of year, certainly! How can you obtain your incorporations rapidly and efficiently? One simple way is to transmit them electronically via our IncoWeb® system. Here is why:

Federally:

- For a numbered company, the certificate will be issued in about 2 hours;
- You can know your corporate number immediately after transmitting your file;
- You receive the certificate by e-mail which can then easily be forwarded to your client;
- For a company with a word name, the turnaround is approximately 6 to 8 hours;
- Delivery time for the corporate book and seal is shorter;
- Quick and easy file duplication;
- You save \$50 on government fees.

Provincially:

- You avoid the delivery time of your articles;

- We act as incorporator so there is no waiting for signatures;
- Quick and easy file duplication;
- You save \$20 on our fees.

An efficient time saver!

For further information, contact Ms. Anne Roy at 514-861-2799, ext. 337.

What's new . . .

English CIDREQ Reports !

Yes, we can provide you with an English translation of corporate profiles and lien search reports drawn from the CIDREQ and R.D.P.R.M. databases. For more information, please contact Ms. Joanna Jacobson (514-861-2799, ext.: 334 / E-mail: jjacobson@crac.com).

Welcome to Ms. Johanne Muzzo



We are very pleased to announce the arrival of a new member to our trademarks Department, Ms. Johanne Muzzo. Over the last 2 years, Ms. Muzzo has acquired experience in this field from a reputed firm. Her experience will be a valuable asset for meeting the growing needs of our clients in this area. We take this opportunity to extend her a very warm welcome among us.