



Circular No 4 @ 22.7.04

Sensitive Words and Expressions

This circular aims to give you an idea of the criteria that is used in approving the use of sensitive words in the name of a company or business name.

What are sensitive words and expressions

Sensitive words and expressions are those which, when used in a company (or a business) name, need the approval of the Governor before the company name can be registered or the business name can be used.

This booklet gives broad guidance on the criteria your company or business will need to meet if you wish to use any of the words and expressions listed in the Companies House Notes (CHN2) "Choosing a Company Name"

Words and Expressions

Guidance in this booklet is given in fairly broad terms because it is not always possible to give definitive criteria. The final decision in each case rests with the Governor and the criteria can change in the light of experience and differing circumstances.

Words which imply National or International Pre-Eminence

British - the criteria for use of this word in your company or business name can vary depending on the way the word is used. Normally the Companies House would expect the company or business to be British owned. You would need to show that the company or business is pre-eminent in its field, preferably by providing supporting evidence from an independent source such as a Government Department or a trade association.

If the word "British" is qualified by words that do not describe an activity or product, for example by using a "made-up" word, evidence of pre-eminence is not necessarily essential. You would however be expected to show that your company, or business, is substantial in relation to its activity or product and that it is eminent in its own field;

National - the criteria for use of this word is similar to that for "British";

Gibraltar or Great Britain - if you wish to use either of these expressions as a prefix, or if you wish to use "of Great Britain" or "of Gibraltar" then the criteria are the same as that for "British".

International - if this word is used as a **prefix** to your company or business name you would need to show that the major part of its activities is in trading overseas. If you wish to use it as a **suffix** approval will usually be given if you can show that its main activities are exports, or that it operates in more than one country overseas. Approval is usually given to companies wishing to use this word when the company is involved in a trade that is international in character, such as travel or transport, provided that the name is not too misleading or likely to give rise to a justified complaint.

European - names which include this word may be approved provided that they do not imply a connection with official bodies of the European Economic Community, and provided that the name is not too misleading or likely to give rise to a justified complaint.

Words Which Imply Government or Public Authority Patronage or Sponsorship

Authority, board or council - if the name you have chosen implies that your company or business has government or public authority patronage or sponsorship, you will be asked to provide evidence of a genuine connection to support your application - for example a letter of support, and consent to use the word, from the relevant authority.

Words Which Imply Business Pre-Eminence

Association, Federation or Society - if you wish to use one of these words, your company would normally be expected to be limited by guarantee. Each member should have one vote under the constitution, and normally any profits should be used to further the objects of the organisation rather than be paid out to the members as dividends. If you want to use one of these words in an unincorporated business name you should seek the advice of Companies House.

Institute or Institution - approval for use of this word is normally given only to those organisations who are carrying out research at the highest standing. You will need to show that the company or business does not conflict with other existing organisations and that it has appropriate regulations or examination standards. You will need evidence of support from other representative and independent bodies.

Words which imply specific objects or functions

Insurance words - needs the approval of the Financial Services Commission.

Patent or Patentee - a name including either of these words will only be approved if it does not contravene the Patents Ordinance.

Chamber of Commerce, and/or Trade and/or Industry etc - if you wish to use a name that includes one of these expressions Companies House will seek the advice of the Chambers of Commerce before considering whether approval should be given.

Co-operative - many companies wanting to use this word must be limited by guarantee with control in the hands of the members and with a non-profit distribution clause in the memorandum of association.

Group - if use of this word implies that there are a number of companies under one ownership, then you will need to provide evidence of association with one or more Gibraltar or overseas companies. If, however, the name clearly shows that the company or business is to promote the interests of a group of individuals then the name will normally be approved.

Holding(s) - companies wishing to use this word must be a holding company and this must be reflected in the memorandum reflected.

Post office, Giro or Stock Exchange - names including this expression will normally be refused unless there are special circumstances.

Register or registered - each application for use of either of these words will be treated on its merits. As a general guide, if names which include these words are linked with a professional qualification, the Companies House will seek advice from the appropriate body. The name as a whole must not imply a connection with the Gibraltar Government or a local authority.

Friendly Society or Industrial Provident Society - Names including these expressions will normally be refused.

Trade Union - names including this expression will normally be refused unless they conform to legislation relating to Trade Unions.

Charter or Chartered - names that include these words will be refused if they falsely give the impression that the Company has a Royal Charter. If either of these words are used to qualify a profession, the Department will seek the advice of the appropriate governing body before considering whether to approve the name. The name will be approved if it refers to Yacht Charter.

Benevolent, Foundation or Fund - names that include any of these words will normally be refused if they imply that the company has charitable status, unless the company is limited by guarantee and has a non-profit distribution clause in the memorandum of association. If you want to use one of these words in the name of an unincorporated business you should seek the advice of Companies House.

Chemist or Chemistry or Pharmaceutical if you want to use either of these words you should seek the advice of Companies House.

Police

Customs

Immigration

Foundation - needs the consent of Companies House and will only be granted if a foundation will be created within the criteria set by Companies House.

School or University or College

Club

Authority

Council

Federation

Institute

Some of the names that have to be referred to the Financial Services Commission

Trust, and Investment Trust - must have the consent of the Financial Services Commission.

Unit Trust - if you wish to use this expression as part of your company name you should seek the advice of the Financial Services Commission.

Bank

If you wish to use any of the names listed below or their foreign equivalent, you must write to Companies House explaining that you will not engage in any business that requires a licence under the Financial Services Ordinance:

Financial	Savings	Commodities	Brokers
Credit	Nominee	Directors	

The list of words and criteria explained in this circular is by no means exhaustive and further guidance may be needed in the use of some words.

When applying for the use of a sensitive word the information set out below should be supplied. This information will help in having the name approved or rejected quickly.

1. The amount of capital with which it is proposed to register the company, if appropriate.
2. The probable amount of paid-up capital of the company within six months of incorporation, if appropriate.
3. The main objects.
4. Particulars of any existing business to be acquired and details of any related companies in which the sensitive word is already in use.
5. The area in which it is to operate.
6. The names, nationalities and status of :-
 - (a) the promoters
 - (b) the directors

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