

## Policy 1.13 Brokerage Tradename Policy

When the Executive Director issues a brokerage licence, the licence is issued in the brokerage's legal entity name. The legal entity holding the brokerage licence may also wish to apply to use a tradename. For the Executive Director to approve a brokerage to use a tradename, the tradename must meet the following criteria:

1. The trade name must be registered by Alberta Registries to the legal entity to whom the brokerage licence is issued. Note: if the brokerage is a partnership, one of the partners of the partnership must register the tradename at Alberta Registries on behalf of the partnership and the tradename must be acquired on account of the partnership business for the purposes of the business.
2. The tradename must not be intentionally misleading.
3. The tradename must not be offensive or derogatory.
4. The tradename must not be similar to the name of an existing licensed brokerage.

Consider the examples below:

### Example 1

Reg, the broker of an existing real estate brokerage, applies to add a tradename, "Real Estate Pros", to the brokerage licence which is held by a partnership. Jack, one of the partners of the partnership, registered the tradename and also plans to use it for his renovation business.

Because Jack did not register the tradename on behalf of the partnership, nor did he acquire it on account of the partnership business for the purposes of the business, the brokerage will not be permitted to use the tradename as it would be difficult for consumers to determine which entity they are dealing with, the partnership or the proprietorship.

### Example 2

Ravi, a mortgage broker, submits a brokerage application under her corporation, "555555 Alberta Ltd." and also wishes to use the tradename registered to her corporation, "Easy Mortgages". There is an existing mortgage brokerage licence issued to "Easy Mortgages Inc.". Because Ravi's proposed tradename is very similar to an existing licensed brokerage name, Ravi's brokerage will not be permitted to use the tradename.

### Example 3

George has been the broker of a real estate brokerage, "Real Estate Pro's" for several years. Business has slowed over the last couple of years and in an effort to draw more interest (if not raised-eyebrows), he applies to change his brokerage's trade name to, "Nude Real Estate Pros". Because of the explicit and inappropriate nature of this tradename, George's brokerage will not be permitted to use the tradename.

### **Summary**

RECA will not approve a brokerage to use a tradename when it:

- is not registered with Alberta Registries
- is intentionally misleading
- is potentially offensive or derogatory
- is similar to an existing licensing brokerage name

If RECA determines that a tradename cannot be used by a brokerage, RECA will provide notification to the broker along with a copy of this policy.