IN THE COMPANIES TRIBUNAL OF SOUTH AFRICA

CASE NO: CT02843ADJ2026

IN THE MATTER BETWEEN:

TOWNSHIP ECONOMY REGULATORY COUNCIL OF SOUTH AFRICA (TERCSA) (in formation)	**APPLICANT**
and	
THE COMPANIES AND INTELLECTUAL PROPERTY COMMISSION (CIPC)	**RESPONDENT**

TRIBUNAL MEMBER: D Terblanche
DATE: 2 September 2026

RULING - REASONS FOR DECISION AND ORDER

THE PARTIES

1. The Applicant is a body in formation as a non-profit company, represented by Collins Maruping Seerane, its Interim Chairperson.

2. The Respondent is the Companies and Intellectual Property Commission (CIPC), the body responsible for name reservation decisions under the Companies Act, No. 71 of 2008 (the "Act").

FACTUAL BACKGROUND

3. The Applicant is a body in formation seeking to operate as a non-profit company. Its proposed functions include coordinating a compliance register, establishing a "Township Consumer Rights Charter," and operating an internal Ombudsman structure with an "enforcement and sanctions framework."

4. The Applicant describes its intended operations as encompassing township enterprises across South Africa. It has developed internal governance documents, including by-laws and a licensing matrix, and has projected a budget of R210,000 CAPEX and R1,740,000 annual OPEX.

5. The name "Township Economy Regulatory Council of South Africa" and its abbreviation "TERCSA" are central to the Applicant's identity and its ability to operate. The Applicant contends that the qualifier "Township Economy" narrows the name sufficiently to avoid any impression of state association.

THE APPLICATION

6. On 6 July 2026, the Applicant submitted an electronic name reservation application to the Respondent for the name "Township Economy Regulatory Council of South Africa" and its abbreviation "TERCSA," under tracking number 9461850046.

7. On 7 July 2026, the CIPC issued a Notice Refusing Name Reservation (Form CoR 9.5), relying on a policy against words such as "Regulatory" and "Council" that create an impression of government association or endorsement. The notice referred to "section 8(1)" of the Act, which concerns categories of companies rather than name-content restrictions. This citation appears to be an error in the CIPC's own notice. The CIPC also identified

several names it regarded as confusingly similar, including "TOWNSHIP ECONOMY REVITALIZATION AGENCY."

8. On 9 July 2026, the Applicant launched its application on Form CTR 142, stamped 13 July 2026 by the Tribunal, for the Tribunal *"Directing the CIPC to reserve the name exactly as applied for"*.

9. The Applicant expressly brought "in terms of Regulation 142 of the Companies Regulations, 2011, read with Section 160 of the Companies Act, No. 71 of 2008." Regulation 142 supplies the prescribed form and procedure, while Section 160 provides the substantive jurisdictional basis for the Tribunal's determination. The application was supported by a Founding Affidavit deposed to by Collins Maruping Seerane, the Applicant's Interim Chairperson.

10. The Applicant served the application on the CIPC by email on 13 July 2026, with automated acknowledgment of delivery the same day.

11. In terms of Regulation 143(1) the CIPCX had 20 days within which to file its answer opposing the application. It appears from the record before the Tribunal that no answer have been received on the application.

THE RELIEF SOUGHT

12. The Founding Affidavit sought two distinct orders:

    12.1. **Prayer 3.1:** That the Tribunal "consider and recognize" TERCSA "as a valid public-benefit regulatory framework within the scope of township enterprise formalisation and local consumer protection." This relief goes to the entity's regulatory legitimacy and function, not to its name.

    12.2. **Prayer 3.2:** Approval and reservation of the name "Township Economy Regulatory Council of South Africa" and its abbreviation "TERCSA," exactly as applied for under tracking number 9461850046. This is a properly framed Section 160(1) request.

PROCEDURAL BACKGROUND

13. On 6 July 2026, the Applicant submitted its name reservation application to the CIPC.

14. On 7 July 2026, the CIPC issued its Notice Refusing Name Reservation.

15. On 9 July 2026, the Applicant launched this application with the Tribunal.

16. On 13 July 2026, the Applicant served the application on the CIPC by email and received automated acknowledgment of delivery the same day.

17. The 20-business-day period for the CIPC to file its answer under Regulation 143(1) expired on 11 August 2026. The CIPC filed no response.

18. On 18 August 2026, the Registrar confirmed that the CIPC had made no filing.

19. The Tribunal therefore assesses the application on a default basis.

THE ISSUE TO BE DECIDED

20. The Tribunal must determine the following three issues:
    20.1. whether the Respondent is in default and whether the application may be determined on a default basis;
    20.2. whether the Commission correctly refused to reserve the name "Township Economy Regulatory Council of South Africa" and, if not, whether that refusal should be set aside; and
    20.3. whether the proposed name satisfies section 11(2) of the Act and, if so, whether the Commission should be directed to reserve it.

APPLICABLE LEGAL PROVISIONS AND CASE LAW

21. **Section 160(1)** of the Act gives any person with an interest in a company's name—including the applicant itself—standing to apply for the Tribunal's own, independent determination of whether the name satisfies the Act. This is a substantive merits determination, not a review of the CIPC's decision-making process.

22. **Regulations 142 and 143** prescribe the procedural requirements for bringing and opposing an application before the Tribunal. In particular:
    22.1. **Regulation 142(1)** requires the Applicant to file Form CTR 142, supported by an affidavit setting out the basis of the application.
    22.2. **Regulation 142(2)** requires service of the application on the Respondent within five days after filing.
    22.3. **Regulation 143** provides the Respondent with a 20-day period within which to oppose the application by filing an answering affidavit.

23. **Section 11(2)** of the Act sets out the core restrictions on company names. In summary, it prohibits: identical names under section 11(2)(a); names that are confusingly similar to others under section 11(2)(b); names that falsely imply a connection with the State, another entity, or a professional body under section 11(2)(c); and names that are offensive or otherwise undesirable in the public interest under section 11(2)(d).

24. **Section 12(2)** of the Act confines the CIPC's own refusal power to Section 11(2)(a) grounds (identical or confusingly similar names, trademarks, or defensive names) or duplicate reservation. The CIPC has no power to refuse on Section 11(2)(b), (c), or (d) grounds.

25. **Section 12(3)** of the Act provides that where the CIPC has reasonable grounds to suspect a contravention of Section 11(2)(b), (c), or (d), it must reserve the name and instead give notice to interested third parties, who may apply to the Tribunal under Section 160.

26. In Dawood v Companies and Intellectual Property Commission (CT001Oct2015) ("PRESS COUNCIL OF SOUTH AFRICA")(Dawood) the Tribunal confirms the jurisdictional divide between the CIPC and the Tribunal in section 11(2)(c) name matters. There, the CIPC refused to reserve "PRESS COUNCIL OF SOUTH AFRICA" because

"COUNCIL" suggested governmental patronage and proof of governmental ties was not provided. The Tribunal held the refusal *ultra vires*: section 12(2) does not empower the CIPC to refuse a reservation on section 11(2)(c) grounds, which must instead be addressed through the section 12(3) notice procedure and, where necessary, a section 160 merits determination by the Tribunal.

27. In **Anderson v CIPC (CT00942ADJ2022) [2023] COMPTRI 20 (14 March 2023)** the Tribunal made its own, independent determination on the merits of whether the proposed name satisfies the requirements of the Act.

ANALYSIS AND ASSESSMENT

Default and determination on the papers

28. The Tribunal has considered whether the Respondent is in default and whether the application may be determined on that basis. On the record before the Tribunal, the Applicant served the application on the Respondent as prescribed, and the Respondent did not file an answer within the required 20-day period, or at all. The Tribunal accordingly concludes that the Respondent is in default and that the application may be determined on the papers before it.

Prayer 3.1: Relief beyond the Tribunal's jurisdiction

29. Prayer 3.1 asks the Tribunal to "consider and recognise" TERCSA *"as a valid public-benefit regulatory framework within the scope of township enterprise formalisation and local consumer protection."* The substance of this relief concerns TERCSA's regulatory legitimacy, status, and functions; it does not concern the permissibility of the proposed name.

30. Section 160 confines the Tribunal's role to determining whether a company name satisfies the requirements of the Act. It does not empower the Tribunal to grant declaratory relief recognising an entity as a public-benefit regulatory framework, or to determine the legal legitimacy of its proposed regulatory functions.

31. Prayer 3.1 therefore falls outside the Tribunal's jurisdiction and is not entertained.

Prayer 3.2: Reservation of the proposed name

32. The Applicant asks the Tribunal to approve and reserve the name "Township Economy Regulatory Council of South Africa" and its abbreviation "TERCSA," exactly as submitted under tracking number 9461850046.

33. This relief is properly framed as an application under section 160 of the Act, read with Regulation 142.

34. The Tribunal considers Prayer 3.2 in two stages. First, it considers whether the CIPC validly refused to reserve the proposed name. Second, if necessary, it considers whether the proposed name complies with section 11 of the Act. In conducting the latter enquiry, the Tribunal first assesses the name under section 11(2)(c)(ii). If the name is found to contravene that provision, it is unnecessary to consider whether the name also, or alternatively, contravenes section 11(2)(b) and / or (d).

34.1. CIPC's refusal to reserve the name:

34.1.1. The first question is whether the CIPC's refusal to reserve the proposed name was a valid exercise of its powers under section 12(2) of the Act.

34.1.2. The CIPC refused the proposed name on two related grounds. First, it considered the name likely to create an impression of government association or endorsement. Second, it identified several existing company names to which it regarded the proposed name as confusingly similar. Those concerns fall under sections 11(2)(c)(ii) and 11(2)(b) of the Companies Act respectively. Section 12(2) does not authorise the CIPC to refuse a name reservation on either basis.

34.1.3. If the CIPC had reasonable grounds to suspect that the proposed name contravened section 11(2)(b), (c), or (d) of the Companies Act, the statutory course was to reserve the name and follow the notice procedure prescribed by section 12(3). By refusing the name outright on a ground falling under section 11(2)(b) and / or (c)(ii), the CIPC exceeded the powers conferred on it by section 12(2).

34.2. Section 11(2)(c)(ii): Assessment of the proposed name:

34.2.1. A reasonable member of the public encountering the name "Township Economy Regulatory Council of South Africa" would have a genuine basis for believing that the Applicant is state-sponsored, state-supported, or officially endorsed. The name presents the Applicant as a nationally scoped body regulating a policy-recognised sector, particularly when read with the Applicant's proposed Ombudsman structure and enforcement powers. That is precisely the type of impression section 11(2)(c)(ii) is designed to prevent.

34.2.2. The phrase "township economy" does not describe a narrow private niche. It refers to a nationwide feature of South African economic life and is also used in public-policy contexts, including township economy programmes and development-funding initiatives.

34.2.3. Although the qualifier "Township Economy" narrows the subject matter of the proposed regulation, it does not narrow the apparent status of the body purporting to regulate that subject matter. Read together with the words "of South Africa," the proposed name reinforces, rather than dispels, an impression of national public authority.

34.2.4. The Applicant's own description of its intended functions strengthens the risk of confusion. An internal Ombudsman structure and an "enforcement and sanctions framework" are features commonly associated with

statutory regulators. In this context, they do not read as ordinary private-industry governance mechanisms.

34.2.5. The Applicant's proposed NPC status, by-laws, licensing matrix, and projected budget of R210,000 CAPEX and R1,740,000 annual OPEX may demonstrate internal planning and institutional seriousness. They do not answer the separate question posed by section 11(2)(c)(ii): whether the proposed name is likely to create a public impression of state association or endorsement.

34.2.6. Prayer 3.2—the approval and reservation of the name "Township Economy Regulatory Council of South Africa" and the abbreviation "TERCSA," as applied for under tracking number 9461850046—is properly before the Tribunal under section 160(1). However, for the reasons set out above, the proposed name creates a reasonable impression of state sponsorship, support, or endorsement. It therefore does not satisfy section 11(2)(c)(ii).

FINDINGS

35. On the record properly before it, the Tribunal finds as follows:

35.1. The Respondent is in default, having failed to file its Answer within the prescribed period. Accordingly, and in terms of Regulation 153, the Tribunal proceeded to determine the application on the papers as filed.

35.2. The CIPC's refusal to reserve the name applied for by the Applicant was issued in excess of its powers under Section 12(2) of the Act, and accordingly falls to be set aside on that ground alone.

35.3. The name "Township Economy Regulatory Council of South Africa" and its abbreviation "TERCSA" by reason of its national scope, its use of terms conventionally associated with statutory bodies, and the Applicant's own

description of its functions—creates a reasonable impression of state sponsorship or endorsement, in contravention to Section 11(2)(c)(ii).

35.4. The relief the Applicant seeks in Prayer 3.1 (recognition of TERCSA as a public-benefit regulatory framework) falls outside the Tribunal's jurisdiction under Section 160 and cannot be granted.

ORDER

36. Based on the findings above, the Tribunal makes the following order:

36.1. The CIPC's Notice Refusing Name Reservation, issued on 7 July 2026 under tracking number 9461850046, is hereby **set aside**.

36.2. The application for an order directing the CIPC to reserve the name "Township Economy Regulatory Council of South Africa" exactly as applied for **is dismissed**.

36.3. The Applicant's prayer that the Tribunal consider and recognise TERCSA as a valid public-benefit regulatory framework within the scope of township enterprise formalisation and local consumer protection **is not entertained**.

36.4. There shall be no order as to costs.

36.5. The Registrar of the Tribunal is directed to serve this order on the Respondent.

SIGNED ON The 2nd DAY OF SEPTEMBER 2026.

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D Terblanche
MEMBER OF THE COMPANIES TRIBUNAL