



**Frank
LaRose**

Ohio Secretary of State

START A
**LIMITED LIABILITY
COMPANY** IN OHIO



**Helping
entrepreneurs
create a
prosperous
economy for
every Ohio
family.**





Dear Entrepreneur:

Business starts at the Secretary of State's office, and we're working hard to help Ohio entrepreneurs grow and succeed.

Ohioans have a reputation for being creative and industrious. And our state, year after year, is where businesses are growing and thriving. Their success is Ohio's success.

This publication is intended to help you make the decisions necessary to get your business started. Starting a business requires a great deal of planning and work. While this guide will serve as a big help, it does not constitute legal advice. If you have specific questions, please consult a lawyer.

I also encourage you to visit our online resource: OhioBusinessCentral.gov. Through Ohio Business Central, you can file a number of forms online, obtain and request publications, search existing businesses, and sign up for our Filing Notification System to track and protect your business from potential identity theft.

If you have further questions regarding corporate filings, please call 877.767.3453 or email business@OhioSoS.gov.

I wish you the best of luck in starting your business. Just as you work to help your venture succeed, we'll be doing our part to continue moving our great state forward.

Yours in service,

A handwritten signature in blue ink that reads "Frank LaRose".

Frank LaRose
Ohio Secretary of State



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Business Identity Theft

Don't Be a Victim

- Thousands of companies around the country have been victims of business identity theft. Protect your identity by signing up for the Ohio Secretary of State's **UCC Watchlist**. The Watchlist helps protect users when fraudulent and incorrect UCC filings are submitted in their name.
- Identity theft affects businesses too. Criminals can use your business' identity to illegally transact business and establish lines of credit. Business Identity Theft costs companies time and money.
- The Secretary of State's office can help you protect your business identity with the **Business Filing Notification System**.



What is the Business Filing Notification System?

The Business Filing Notification System is a free service allowing you to track any filing changes or updates made to your business.

For more information and to sign-up, visit
OhioSoS.gov/IDTheft



PREFACE

This guide has been prepared for informational purposes only and does not constitute legal advice. It is recommended that you seek legal and tax counsel before acting upon this information. For help finding a lawyer in Ohio, visit the Ohio Bar Association at OhioBar.org.

PERSONAL INFORMATION

The Secretary of State's office has the authority to reject any document containing a Social Security number or federal tax identification number. Please remove all personal information from documents prior to filing them.

WHAT IS A LIMITED LIABILITY COMPANY?

A limited liability company (LLC) is a business structure which combines elements of a corporation with those of a partnership or sole proprietorship.

Many people decide to form a limited liability company because this business type is typically more flexible than a corporation and it is well-suited for companies with only one owner. Although owners have limited liability, this does not mean they are fully protected from personal liabilities. For example, if a limited liability company is sued, generally the assets of the owners are protected because the business assets are distinct from the personal assets, but there are exceptions under certain circumstances.

Ultimately, you may wish to consult an attorney and/or tax professional before deciding which entity type is best for your company.



FORMS

Pursuant to Ohio Revised Code Section 1706.16, the Secretary of State's office authorizes limited liability companies to conduct business in Ohio. Documents must be filed with the Secretary of State's office before a limited liability company may legally conduct business in Ohio. All forms that are required to be filed with the Secretary of State, including, but not limited to, Articles of Organization, Statutory Agent Updates, Amendments, Conversions, Mergers and Dissolutions, can be obtained directly from the Secretary of State's office.

All forms may be filed online at the Secretary of State's Ohio Business Central website at OhioBusinessCentral.gov. For more information visit the Ohio Secretary of State's website at OhioSoS.gov and click on "Businesses." The filing fee associated with each filing, as well as completion instructions, are provided on each form.

FORMING A LIMITED LIABILITY COMPANY

Ohio Revised Code Section 1706.16 provides that "one or more person shall execute articles of organization and deliver the articles to the secretary of state for filing." All limited liability companies must register with the Ohio Secretary of State to lawfully conduct business in Ohio.

Filing Articles of Organization

In order to be legally organized, a limited liability company must file Articles of Organization (Articles) with the Ohio Secretary of State. Ohio Revised Code Section 1706.16 provides a list of the information that must be included.

**The Articles must include the following:**

1. The name of the company, which must include one of the following: "limited liability company," "LLC," "L.L.C.," "Ltd.," "Ltd.," or "limited."
2. An original appointment and acceptance of statutory agent.
3. If applicable, a statement that the limited liability company may have one or more series of assets.
4. Any other matters the organizers or the members determine to include in the articles of organization.

The Articles may include the following:

1. The effective date and time of organization of the limited liability company, if other than the filing date.
2. The purpose or purposes for which individuals may associate themselves, including for any profit or nonprofit purpose. If no purpose is provided, the purpose of the company is to engage in any lawful act or activity for which a limited liability company may be formed.

Pursuant to Ohio Revised Code Section 1706.16(D), a limited liability company is formed when the articles of organization are filed by the secretary of state or at any later date or time specified in the articles of organization. Pursuant to Ohio Revised Code Section 1706.172(D), articles of organization delivered to the Ohio Secretary of State for filing may specify an effective time and a delayed effective date of not more than ninety days following the date of receipt by the Secretary of State. Articles of organization are effective as provided in Ohio Revised Code Section 1706.172(D).

Please note: A limited liability company's operating agreement and other internal documents are not required to be filed with the Ohio Secretary of State.



The Articles must be signed by at least one person. The filing fee for the Articles is \$99.00.

Choosing a Business Name

The Articles must include a business name. Under Ohio law, limited liability company names must be distinguishable from the name of any other domestic corporation, licensed foreign corporation, limited liability company, limited liability partnership, limited partnership or trade name previously registered with the Secretary of State. If a name is not distinguishable (i.e., conflicts with a previously registered name), it is generally unavailable for registration without consent from the prior registrant.

Before filing Articles, please check the availability of the limited liability company name you wish to use. To determine whether the name you wish to use is available, you may conduct a search on the Secretary of State's website at OhioSoS.gov, or call 877.767.3453, or email the Secretary of State's office at business@OhioSoS.gov.

If a limited liability company submits Articles using a name that is not distinguishable based upon the Secretary of State's records, the Articles will be rejected. The rejection letter will identify the previously-registered, conflicting name and provide contact information for the name's registrant so that the limited liability company may request written consent to use the name. If the prior registrant gives consent, the limited liability company must submit with its Articles the Consent for Use of Similar Name (Form 590). If the prior registrant refuses consent, a new limited liability company name must be chosen.

The Secretary of State's office is authorized to cancel an entity's Articles under certain circumstances. The office must hold a canceled entity's name for one year from the date of cancellation to give the entity an opportunity to correct the reason for cancellation and return to good standing using its



original name. A canceled entity lacks legal authority to act and, therefore, cannot consent to the use of its name unless and until it is reinstated. Because of this requirement, if you wish to use a canceled entity's name, you must generally wait one year from the date of cancellation to register the name.

Please note: The Secretary of State will make the final determination on the availability of a business name when the Articles are filed. It is a good idea not to order signs, letterhead or other supplies reflecting the business name until the name is registered. Also, consider having two or three alternative business names in mind in case the desired name is unavailable.

Special Name Considerations

Some business names are subject to unique name requirements or restrictions. For example, if a business wishes to use the word "bank" or "trust" in its name, it must seek approval from the Ohio Department of Commerce - Division of Financial Institutions before filing its Articles with the Secretary of State. Please refer to the Guide to Name Availability on the Secretary of State's website to learn more regarding specific name requirements and restrictions.

Name Reservation

If you choose a business name that is available, but you are not ready to file the Articles with the Secretary of State's office, you may reserve the name. A name reservation grants the applicant exclusive rights to use the name for a period of 180 days. The Articles may be filed any time within that 180-day period to form the limited liability company using the reserved name. After 180 days, the name reservation will expire, and the name will again become available for anyone to use. To reserve a name for a proposed new limited liability company name, please submit the Name Reservation (Form 534B) and \$39.00 filing fee.



Appointing a Statutory Agent

At the time of filing its Articles, a limited liability company is required to appoint a statutory agent. The statutory agent is the person or corporation designated to accept any legal process, notice or entity that is served upon the company and is responsible for sharing this information with the limited liability company.

The statutory agent must be one of the following: (1) A natural person who is a resident of this state; or (2) A domestic or foreign corporation, nonprofit corporation, limited liability company, partnership, limited partnership, limited liability partnership, limited partnership association, professional association, business trust, or unincorporated nonprofit association that has a business address in this state.

The Original Appointment of Statutory Agent must include the statutory agent's name and address. The statutory agent **must sign to accept the appointment**. For convenience, the Original Appointment of Statutory Agent has been incorporated into the Articles form.

In the event the name or address of a company's statutory agent changes, or the statutory agent resigns or dies, the entity must choose a new statutory agent and submit the Statutory Agent Update (Form 521) and filing fee of \$25.00.

If the Secretary of State learns that a limited liability company has failed to maintain a statutory agent, the secretary will notify the entity that a new statutory agent must be appointed. If the limited liability company fails to appoint a new statutory agent within 30 days of the notice, the Secretary of State's office is authorized to cancel the limited liability company's Articles and revoke its authority to conduct business in Ohio. Once canceled, the limited liability company cannot legally conduct business in Ohio until it appoints a new statutory agent and reinstates the entity.



ADDITIONAL FILINGS

Over the life of a limited liability company, additional filings with the Ohio Secretary of State may be required. Although limited liability companies are not required to submit annual or biennial filings, certain actions taken by the limited liability company may trigger a filing requirement.

The following is information regarding some of the most common filings the Secretary of State's office receives from limited liability companies. This information is not intended to be exhaustive. You should consider consulting legal counsel and/or the Ohio Revised Code to determine whether and when additional filings must be made with the Secretary of State's office.

Certificate of Amendment or Restatement

As provided in Ohio Revised Code Section 1706.161, a limited liability company may amend or restate the Articles at any time and for any purpose by filing a Certificate of Amendment or Restatement (Form 611) with the Secretary of State's office.

Statement of Authority; Amendment or Cancellation; and Statement of Denial

As provided in Ohio Revised Code Section 1706.19, a limited liability company may state the authority of a specific person, or, with respect to any position that exists in or with respect to the limited liability company or series thereof, or all persons holding the position, to enter into transactions on behalf of the limited liability company or series. The limited liability company may amend or cancel the statement of authority. Pursuant to Ohio Revised Code Section 1706.20, a person named in a filed statement of authority may deny the authority.



Certificate of Correction

A limited liability company may correct a record previously delivered to the Secretary of State by delivering a certificate of correction which describes the record to be corrected, specifies the inaccurate information, and provides the correct or accurate information.

Mergers

Under Ohio law, a limited liability company may merge with other types of business entities. A merger is the combining of one or more business entities (also known as merging entities) into one existing entity (also known as the surviving entity). All other entities merging into the surviving entity will cease to exist.

If an Ohio limited liability company is involved in a merger, a Certificate of Merger (Form 551) must be filed with the Ohio Secretary of State. The filing fee for these forms is \$99.00. Under certain circumstances, additional documentation may also be required.

Conversions

A conversion takes place when a domestic or foreign entity converts into a different type of domestic or foreign entity. The Ohio Revised Code chapter governing each type of entity must permit the conversion. For example, an Ohio limited liability company (the converting entity) may convert into an Ohio corporation (the converted entity) so long as the Ohio Revised Code chapters governing limited liability companies and corporations permit the conversion.

Additionally, a domestic limited liability company may convert into a foreign entity. When two different jurisdictions are involved in a conversion, the laws of each jurisdiction must permit the conversion. For example, if an Ohio limited liability



company converts to a Delaware corporation, the laws of Ohio and Delaware must both permit the conversion.

Ohio law currently permits corporations, limited liability companies, limited partnerships, limited liability partnerships and general partnerships to convert. The converting entity must file a Certificate of Conversion (Form 700 or 800) with the Secretary of State's office accompanied by a \$99.00 filing fee. Please refer to Ohio Revised Code Section 1706.722 for more information regarding filing requirements.

CANCELLATION AND REINSTATEMENT

Cancellation

The Secretary of State's office is authorized to cancel a limited liability company's registration to do business in Ohio as follows:

- When a limited liability company has failed to maintain a statutory agent and does not cure its failure upon notice from the Secretary of State.
- When ordered to do so by a court of law.

Reinstatement Following Cancellation

When a limited liability company is canceled for failure to maintain a statutory agent, it must file the Reinstatement and Appointment of Agent (Form 525A) and the filing fee of \$25.00 to be reinstated.

Business Name Upon Cancellation

The Secretary of State will hold a canceled limited liability company's name for a period of one year from the date of cancellation, preventing another entity from using the



business name. This allows the entity to reinstate using its original business name. However, if reinstatement is not made within one year, the entity's name is no longer protected and another business may register the name. If, after the one-year period, another organization registers the same name and the canceled limited liability company wishes to reinstate, then the canceled entity must file a Certificate of Amendment (Form 611) to select a new business name simultaneously with reinstatement.

FOREIGN LIMITED LIABILITY COMPANY

A foreign limited liability company is organized under the laws of another state or foreign country. A foreign limited liability company must register with the Ohio Secretary of State prior to conducting business in Ohio by filing a Registration of a Foreign Limited Liability Company (Form 617). The filing fee is \$99.00.

At the time the entity registers, the limited liability company must appoint a statutory agent to accept service of process on behalf of the limited liability company within Ohio. The statutory agent must sign the form to accept appointment.

A foreign limited liability company may update information on the registration form by submitting a Certificate of Correction (Form 612) and may cancel the registration with Form 618.

FREQUENTLY ASKED QUESTIONS

Q: How can I serve a complaint on a limited liability company that has failed to maintain a valid statutory agent?

A: Pursuant to Ohio Revised Code Section 1706.09(H) (1), service may be made upon the Secretary of State. You must submit (1) four copies of the summons and complaint; (2) an affidavit stating the agent cannot be



found, no longer has the address listed in Secretary of State's office, or the limited liability company failed to maintain an agent; and (3) a filing fee of \$5.00 per address to be served.

Q: Does Ohio law permit the formation of a series LLC?

A: Yes. A limited liability company may create separate series of assets and liabilities organized under a single LLC. Each series, in its own name, may enter into contracts, hold and convey title, grant liens and security interests and sue or be sued. Each series formation has a separate operating agreement and is authorized by the articles of organization. The articles of organization require a statement that the LLC may have one or more series of assets. The Articles may be amended or restated to include this statement.

Q: Is there a penalty if I do not register my out of state (foreign) limited liability company in Ohio prior to transacting business in Ohio?

A: Yes, the Ohio Attorney General has enforcement powers to address a foreign LLC that has not properly registered to transact business in Ohio. A foreign LLC will be liable for a set fee. Fees may be recovered in an action brought by the Ohio Attorney General. This action could result in an injunction against the foreign LLC, court costs, and interest.

SUBMITTING FILINGS

For quick and accurate service, complete filing forms online at OhioBusinessCentral.gov and pay with any major credit card. Filings will either be processed automatically upon submission or a review may be required and approval certificate will be sent to your email address after submission.

If you prefer, please obtain a filing form to be submitted by mail or dropped off in person at OhioSoS.gov. Please mail the



form to the address provided on the filing form as well as a check, money order, or credit card authorization form.

To submit a filing in person go to the Secretary of State's Client Service Center. The Client Service Center is open between 8:00 a.m. and 5:00 p.m., Monday to Friday. The Client Service Center is closed on holidays and the day after Thanksgiving.

BUSINESS IDENTITY THEFT: DON'T BE A VICTIM

Thousands of companies around the country have been victims of business identity theft. Protect your identity by signing up for the Ohio Secretary of State's UCC Watchlist. The Watchlist helps protect users when fraudulent and incorrect UCC filings are submitted in their name.

Identity theft affects businesses too. Criminals can use your business' identity to illegally transact business and establish lines of credit. Business Identity Theft costs companies time and money.

The Secretary of State's office can help you protect your business identity with the Business Filing Notification System. The Business Filing Notification System is a free service allowing you to track any filing changes or updates made to your business. For more information and to sign-up, visit OhioSoS.gov/IDTheft.





EXPEDITED SERVICE

The Ohio Secretary of State offers three levels of expedited service for filings. An expedited level 1 filing may be mailed, submitted in person, or filed online. Levels 2 and 3 may only be submitted in person at the Client Service Center or filed online at OhioBusinessCentral.gov.

Levels of Service	Additional Fee	Turnaround Time
Expedited 1	\$100.00	2 Business Days
Expedited 2	\$200.00	1 Business Day
Expedited 3	\$300.00	4 Hours*

The expedited filing fee must be added to each filing submitted. If only some of your filings require expedited service, please submit a separate check for the expedited filings.

In the event of an expedited 3 filing containing an error, the customer will be notified. If a filing is re-submitted by 1:00 p.m., the filing will be processed by 5:00 p.m.

***Please note:** Expedited level 3 filings submitted after 1:00 p.m. will be available the next business day.



CONTACT BUSINESS SERVICES

Ohio Secretary of State
Business Services Division
614.466.3910
877.767.3453
TTY: 877.644.6889

Client Service Center

Note: The Ohio Secretary of State's office is moving. Please verify the address of the Client Service Center before traveling to the office.

Hours of Operation

Monday - Friday 8:00 a.m. - 5:00 p.m.
Open 24 hours at OhioSoS.gov.

Email: business@OhioSoS.gov
Website: OhioSoS.gov
File online: OhioBusinessCentral.gov

Multilingual services are available.

ADDITIONAL RESOURCES

This guide focuses on the forms and processes of the Secretary of State's office with respect to forming a for-profit entity in Ohio. However, there are other agencies that regulate and/or assist Ohio businesses. The Ohio Secretary of State's office hosts the Ohio Business Resource Connection located at OhioSoS.gov/BusinessResources. The Resource Connection is a directory of services for all Ohio businesses and includes specific services for woman, minority, disability, and military or veteran owned businesses.

Quick-Start for Your Business

Doing our part to ensure a prosperous economy



To help you start this journey, we've put together a checklist of 11 important things you may want to consider.

- Register with the Ohio Secretary of State.
- Obtain a federal Employer Identification Number (EIN).
- Open a bank account.
- Register with the Ohio Department of Taxation at [Tax.Ohio.gov](https://tax.ohio.gov).
- Report Beneficial Ownership Information with the U.S. Department of Treasury (FinCEN).
- Report newly-hired and re-hired employees to the Ohio New Hire Reporting Center.
- Determine what may be required of your business by the Ohio Bureau of Workers' Compensation.
- Identify requirements of the Ohio Department of Job & Family Services.
- Obtain the proper licenses and permits.
- File an Annual Report of Unclaimed Funds.
- Discover growth opportunities for your new business.

For more information on starting a business or nonprofit

OhioSoS.gov



BUSINESS SERVICES

OhioSoS.gov | business@OhioSoS.gov

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