



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 moving. 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,

Frank Lakose

Ohio Secretary of State



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# **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 assist our office by removing all personal information from documents prior to filing them with our office.

#### **GENERAL PARTNERSHIPS**

#### WHAT IS A GENERAL PARTNERSHIP?

A general partnership is an association of two or more persons to carry on as co-owners of a business for-profit.

Many people decide to form a partnership because this business type allows for a pooling of owner assets, both monetary and skill sets. Owners have unlimited personal liability for all debts of the partnership. Unless there is an agreement stating otherwise, any partner may bind the partnership to an agreement with a third party. Even in the case of an agreement stating otherwise, a partner's actions may still be binding upon the partnership.

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



#### **FORMS**

Partnerships may legally conduct business in the state of Ohio without filing forms with the Secretary of State. However, partnerships may submit filings if they desire. All forms that may be filed with the Secretary of State, including, but not limited to, Statements of Partnership Authority, Statutory Agent Updates, Amendments, Cancellations of Partnership, Dissociations and Dissolutions, can be obtained directly from the Secretary of State's office.

For more information, or to obtain filing forms, 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. All forms may be filed online at the Secretary of State's Ohio Business Central website at OhioBusinessCentral.gov.

#### FORMING A GENERAL PARTNERSHIP

Ohio Revised Code Section 1776.22 provides that, except as formed under a chapter other than 1776, "any association of two or more persons to carry on as co-owners a business forprofit forms a partnership, whether or not the persons intend to form a partnership." A partnership is not required, but may elect to file registration forms with the Secretary of State.

# **Filing Statement of Partnership Authority**

While not required in order to conduct business in the state of Ohio, Statement of Partnership Authority (Form 535) (Statement) may be filed with the Ohio Secretary of State. Statements will be given significant weight in a court of law. Ohio Revised Code Section 1776.05 governs the filing and recording of statements.



#### The Statement must include the following:

- The identifying number issued to the partnership, only if the partnership has filed a prior partnership with the Secretary of State. A number will be issued upon the initial filing with the agency.
- The name of the partnership.
- 3. The address of its chief executive office and, if the chief executive office is not within the state, the address of any partnership office within the state.
- 4. The names and addresses of all partners or the name and address of an information agent.
- 5. An original appointment and acceptance of statutory agent.
- 6. Signature(s) of an authorized representative(s) of the partnership.

#### The Statement may include the following:

- Names of partners authorized to execute an instrument transferring real property held in the name of the partnership, the authority, including limitations, which some or all of the partners have to enter other transactions on behalf of the partnership, and any other matter.
- 2. Additional provisions. If the information you wish to provide for the record does not fit on the form, please attach additional provisions on a single-sided, 8 1/2 x 11 sheet(s) of paper.

**Please note:** The partnership agreement and other internal documents are not required to be filed with the Ohio Secretary of State.

The filing fee for the Statement is \$99.00 and the filing may be expedited for an additional fee (see page 24 for expedited information).



# **Choosing a Partnership Name**

The Statement must include a business name. It is not required for the name of a general partnership to be distinguishable upon the record from another business name previously registered.

If a partnership elects not to file a Statement with the Secretary of State's office, they must register a trade or fictitious name with the office, unless the partnership is using a personal name only (i.e. "Bob Smith" does not need to be registered as a business name, but "Bob Smith's Bakery" does need to be registered as a trade name or fictitious name if no Statement will be filed). Ohio Revised Code 1329.01(A)(1) defines a trade name as "a name used in business or trade to designate the business of the user and to which the user asserts a right to exclusive use." A fictitious name is defined by Ohio Revised Code 1329.01(A)(2) as "a name used in business or trade that is fictitious and that the user has not registered or is not entitled to register as a trade name."

A trade name or fictitious name can be registered by filing a Name Registration (Form 534A). The filing fee is \$39.00.

# **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 formation documents 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.

# **Appointing a Statutory Agent**

At the time of filing its Statement, a general partnership is required to appoint a statutory agent. The statutory agent



is the person or corporation designated to accept any legal process, notice or demand that is served upon the company and is responsible for sharing this information with the general partnership.

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. If the agent is a business entity then the agent must meet the requirements of Title XVII of the Revised Code to transact business or exercise privileges in Ohio.

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 Statement 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.

#### **ADDITIONAL FILINGS**

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

The following is information regarding some of the most common filings our office receives from general partnerships. 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 our office.

#### **Amendments/Corrections of Statements**

As provided in Ohio Revised Code Section 1776.05(D), a general partnership may amend or restate the Statement at any time and for any purpose by filing an Amendment of Partnership Statement (Form 545) with the Secretary of State's office. Amendments are effective as of the date the Amendment is filed with the office.

As provided in Ohio Revised Code Section 1776.12, a general partnership, upon discovering inaccurate information in their Statement, may correct those inaccuracies by filing a Statement of Correction (Form 566) with the Secretary of State's office. Corrections are effective as of the date of the original Statement filing with the office.

# **Statement of Denial/Dissociation/Dissolution**

As provided in Ohio Revised Code Section 1776.34, a partner may file a Statement of Denial (Form 567), which limits an individual's authority by denying that individual's alleged authority or their status as a partner.

As provided in Ohio Revised Code Section 1776.57, a partnership or disassociated partner may file a Statement of Dissociation (Form 567), which limits an individual's authority by stating that the individual is no longer associated with the partnership. For individuals that are not partners of the partnership, notice of the dissociation is considered to have been given 90 days following the filing of the Statement of Dissociation.



As provided in Ohio Revised Code Section 1776.65, a partner may file a Statement of Dissolution (Form 567), which signals the end of the partnership. Dissolution means the partnership will no longer be conducting new business, but concluding all existing business and ending the partnership.

# **Mergers and Consolidations**

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

A consolidation differs from a merger in that two or more entities combine to form an entirely new entity. All consolidating entities cease to exist following the consolidation.

If an Ohio general partnership is involved in a merger or consolidation, a Certificate of Merger (Form 551) or Certificate of Consolidation (Form 550) must be filed with the Ohio Secretary of State. The filing fee for each of these forms is \$99.00. These filings are optional only if all the constituent entities in the merger or consolidation are domestic general partnerships (i.e. - general partnership A merges with general partnership B to form general partnership C). Under certain circumstances, additional documentation may also be required. Please refer to Ohio Revised Code Section 1776.70 for details regarding filing requirements.

## **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 general partnership (the converting entity) may convert into an



Ohio corporation (the converted entity) so long as the Ohio Revised Code chapters governing general partnerships and corporations permit the conversion.

Additionally, a domestic general partnership 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 general partnership 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.

When a general partnership adopts a declaration of conversion pursuant to Ohio Revised Code Section 1776.72 or 1776.73, or at a later time as authorized by the declaration of conversion, 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 1776.74 for more information regarding filing requirements.

#### **SERVICE OF PROCESS**

Pursuant to Ohio Revised Code Section 1776.07(G) (2)(a), 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 general partnership failed to maintain an agent; and (3) a filing fee of \$5.00.



# LIMITED PARTNERSHIPS

#### WHAT IS A LIMITED PARTNERSHIP?

A limited partnership is an association of two or more persons to carry on as co-owners of a business for-profit. One or more individuals take the role of general partner(s), which have managerial control, ability to bind the partnership as an agent and joint and several liability for partnership debts. One or more individuals also take the role of limited partners, similar to shareholders in a corporation. They have liability limited to the amount of their investment. They also have no managerial control over the partnership.

Many people decide to form a limited partnership because this business type allows for a pooling of owner assets, both monetary and skill sets. In addition, this form of organization encourages individuals with no intention to control an organization to invest in a partnership by limiting liability. An individual willing to take the responsibility of a general partner would be interested in this form of organization because they will be the only party with control of operations or the ability to bind the partnership to an agreement.

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 1782.06, the Secretary of State's office authorizes limited partnerships to conduct business in Ohio except in banking and insurance. Limited partnerships are required to file forms with the Secretary of State in order to conduct business within the state. All forms that may be filed with the Secretary of State, including, but not limited to, a Certificate of Limited Partnership, Statutory



Agent Updates, Amendments, Cancellations of Partnership, Dissociations 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, or to obtain filing forms, 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 PARTNERSHIP

Ohio Revised Code Section 1782.08 provides that to form a limited partnership, Certificates of Limited Partnerships must be filed with the Secretary of State.

# **Filing Certificates of Limited Partnership**

As previously stated, Certificate of Limited Partnership (Form 531A) (Certificates) must be filed with the Ohio Secretary of State. Certificates will be given significant weight in a court of law. Ohio Revised Code Section 1782.08 governs the filing of Certificates, while 1782.11 governs execution of those Certificates.

# The Certificate <u>must</u> include the following:

- The name of the limited partnership.
- 2. The address of its principal place of business.
- 3. Name and business address or residence of each general partner.
- 4. A written appointment and acceptance of statutory agent.
- 5. Any other matters the general partners determine to include.



6. Signature(s) of an authorized representative(s) of the partnership.

**Please note:** The partnership agreement and other internal documents are not required to be filed with the Ohio Secretary of State.

The filing fee for the Certificate is \$99.00 and the filing may be expedited for an additional fee (see page 24 for expedited information).

# **Choosing a Business Name**

The Statement must include a business name. Ohio Revised Code 1776.82 mandates that any name of a limited liability partnership must include "limited liability partnership," "registered limited liability partnership," "registered partnership having limited liability," "L.L.P.," "R.L.L.P.," "P.L.L.," "LLP," "RLLP," or "PLL." If a foreign limited partnership's name conflicts with a name already on record, and the prior registrant will not consent to allowing use of the name, the foreign limited partnership must choose an assumed name to operate under in Ohio.

A trade name or fictitious name can be registered by filing a Name Registration (Form 534A). This form can be filed online at the Secretary of State's Ohio Business Central website at OHBusinessCentral.com. The filing fee is \$39.00.

# **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 Formation documents 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.



# **Appointing a Statutory Agent**

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

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. If the agent is a business entity then the agent must meet the requirements of Title XVII of the Revised Code to transact business or exercise privileges in Ohio.

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 Certificate 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.

#### **ADDITIONAL FILINGS**

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



The following is information regarding some of the most common filings our office receives from limited partnerships. 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 our office.

#### **Amendments/Restatements**

As provided in Ohio Revised Code Section 1782.09, a limited partnership may amend or restate at any time and for any purpose by filing a Certificate of Amendment (Form 542) with the Secretary of State's office. An amendment is used for changing one or a few terms in the Certificate, while the rest remains the same. Restatements, on the other hand, change all terms and the restatement replaces the original Certificate.

# **Mergers and Consolidations**

Under Ohio law, a limited partnership may merge or consolidate with other types of business entities. A merger is the combining of one or more business entities into one existing entity (also known as the surviving entity). All other entities merging into the surviving entity will cease to exist. A consolidation differs from a merger in that two or more entities combine to form an entirely new entity. All consolidating entities cease to exist following the consolidation.

Ohio Revised Code 1782.431 governs what items need to be included in a merger or consolidation agreement when the surviving entity is a limited partnership. Ohio Revised Code 1782.432 governs in the case the surviving entity is something other than a limited partnership.

Finally, a Certificate of Merger (Form 551) in compliance with Ohio Revised Code 1782.433 must be signed by representatives of both constituent entities and filed with the Secretary of State's office.



#### **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 partnership (the converting entity) may convert into an Ohio corporation (the converted entity) so long as the Ohio Revised Code chapters governing limited partnerships and corporations permit the conversion.

Additionally, a domestic limited partnership 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 partnership converts to a Delaware corporation, the laws of Ohio and Delaware must both permit the conversion.

Ohio law currently permits for-profit corporations, limited liability companies, limited partnerships, limited liability partnerships and general partnerships to convert.

When a limited partnership adopts a declaration of conversion pursuant to Ohio Revised Code Section 1782.439, or at a later time as authorized by the declaration of conversion, 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 1782.4310 for more information regarding filing requirements.



#### **SERVICE OF PROCESS**

Pursuant to Ohio Revised Code Section 1776.07(G) (2)(a), 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 general partnership failed to maintain an agent; and (3) a filing fee of \$5.00.

# LIMITED LIABILITY PARTNERSHIPS

#### WHAT IS A LIMITED LIABILITY PARTNERSHIP?

A limited liability partnership is an association of two or more persons to carry on as co-owners of a business forprofit. Each partner has managerial control and the ability to bind the partnership as an agent, similar to that of a general partnership. However, all partners in a limited liability partnership have their individual liabilities for partnership debts capped at the amount of their investment. In this way, they are similar to shareholders in a corporation. They have liability limited to the amount of their investment.

Many people decide to form a limited liability partnership because this business type allows for a pooling of owner assets, both monetary and skill sets. In addition, this form of organization works for individuals who would all like to take an active role in ownership. Each partner is still afforded an equal amount of control and limited liability, which differs from general or limited partnerships where at least one partner is subject to unlimited liability.

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 1776.81(C) and 1776.86, partnerships must file a Statement of Qualification with the Secretary of State in order to become a limited liability partnership. Statements of Qualification both Domestic (based in Ohio) and Foreign (already registered elsewhere) 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, or to obtain filing forms, 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.

#### FILING STATEMENTS OF QUALIFICATION

As previously stated, Statements of Qualification (Statement) must be filed with the Ohio Secretary of State. Ohio Revised Code Section 1776.81 governs the filing of Statements of Domestic Qualification (Form 536) and section 1776.86 governs the filings of Statements of Foreign Qualification (Form 537).

# The Statement must include all of the following:

- 1. The name of the partnership.
- 2. The address of its chief executive office and, if the chief executive office is not within the state, the address of any partnership office within the state.
- 3. If there is no office within the state, the name and address of the partnership's statutory agent.
- 4. Statement that the partnership elects to be a limited liability partnership.
- 5. Any deferred effective date.



**Please note:** A partnership agreement and other internal documents are not required to be filed with the Ohio Secretary of State.

The filing fee for the Statement is \$99.00 and the filing may be expedited for an additional fee (see page 24 for expedited information).

# **Choosing a Business Name**

The Statement must include a business name. Ohio Revised Code 1776.82 mandates that any name of a limited liability partnership must include "limited liability partnership," "registered limited liability partnership," "registered partnership having limited liability," "L.L.P.," "R.L.L.P.," "P.L.L.," "LLP," "RLLP," or "PLL"

# **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 Formation documents 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.

# **Appointing a Statutory Agent**

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



A statutory agent for a limited liability partnership may be any of the following: (1) An individual who is a resident of Ohio; or (2) An entity, for-profit or nonprofit, domestic or foreign, authorized to do business within the state.

The Original Appointment of Statutory Agent must include the statutory agent's name and address. The statutory agent <u>does not have to sign</u>. For convenience, the Original Appointment of Statutory Agent has been incorporated into the Statement 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.

#### **ADDITIONAL FILINGS**

Over the life of a limited liability partnership, biennial filings are required in order to maintain the partnership's authorization to do business in Ohio. Reports shall be filed between the first day of April and the first day of July of each odd-numbered year that follows the calendar year in which the limited liability partnership became authorized to do business in this state. For example, if an LLP were to file a Statement in 2012, their first biennial report would be due between April 1, 2014 and July 1, 2014. Ohio Revised Code 1776.83 governs biennial reports.

In addition, there are other filings that may be required, depending upon the actions of the LLP. Below is information regarding some of the most common filings our office receives from limited liability partnerships. 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 our office.



# **Biennial Reports**

Ohio Revised Code 1776.83 requires the filing of a Biennial Report (Form 520) in order for a limited liability partnership to remain authorized to do business in Ohio. These reports include:

- The name of the limited liability partnership and, in the case of a foreign limited liability partnership, the state or jurisdiction under which it is established.
- 2. The street address of the partnership's chief executive office and, if the chief office is not in the state, the street address of any office in the state.
- If the partnership doesn't have an address within the state, the name and address of the partnership's statutory agent.

This form can be filed online at the Secretary of State's Ohio Business Central website at OhioBusinessCentral.gov.

# **Amendments/Cancellations of Statements**

As provided in Ohio Revised Code Section 1776.81(H), a limited liability partnership may amend or cancel the Statement at any time and for any purpose by filing a Certificate of Amendment (Form 545) with the Secretary of State's office. Amendments and cancellations are effective as of the date the amendment or cancellation is filed with the office.

#### **Statement of Correction**

As provided in Ohio Revised Code Section 1776.12, a partnership, upon discovering inaccurate information in their Statement, may correct those inaccuracies by filing a Statement of Correction (Form 566) with the Secretary of State's office. Corrections are effective as of the date of the original Statement filing with the office.



# **Statement of Denial/Dissociation/Dissolution**

As provided in Ohio Revised Code Section 1776.34, a partner may file a Statement of Denial (Form 567), which limits an individual's authority by denying that individual's alleged authority or their status as a partner.

As provided in Ohio Revised Code Section 1776.57, a partnership or disassociated partner may file a Statement of Dissociation (Form 567), which limits an individual's authority by stating that the individual is no longer associated with the partnership. For individuals that are not partners of the partnership, notice of the dissociation is considered to have been given 90 days following the filing of the Statement of Dissociation.

As provided in Ohio Revised Code Section 1776.65, a partner may file a Statement of Dissolution (Form 567), which signals the end of the partnership. Dissolution means the partnership will no longer be conducting new business, but concluding all existing business and ending the partnership's existence.

#### TRANSACTING BUSINESS

Ohio Revised Code Section 1776.88 provides an exhaustive list of actions that are not considered "transacting business" for the purpose of determining whether a foreign LLP must register with the Secretary of State. This list includes, but is not limited to:

- Maintaining, defending or settling an action or proceeding.
- Soliciting or obtaining orders if orders require acceptance outside this state before they become contracts.
- Maintaining bank accounts.



 Conducting a solitary transaction that is completed within 30 days and is not done in the course of similar transactions.

If any action is not on this list, it will most likely be considered "transacting business," and require that a foreign limited liability partnership register with the Secretary of State.

# LIMITED LIABILITY LIMITED PARTNERSHIPS

#### WHAT IS A LIMITED LIABILITY LIMITED PARTNERSHIP?

A limited liability limited partnership is an association of two or more persons to carry on as co-owners a business forprofit. The set-up is similar to that of a limited partnership, as it begins as a limited partnership. There are one or more general partners who have managing control of the partnership, and limited partners who are passive investors. However, what distinguishes a limited liability limited partnership from a limited partnership is that in a limited liability limited partnership the general partners also have their liability capped at the amount of their investment.

Many people decide to form a limited liability limited partnership because this business type allows for a pooling of owner assets, both monetary and skill sets. In addition, this form of organization works for the partnering of individuals who would like a hands-on role and those who prefer passive investment, but all of whom would prefer limited liability.

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



#### FORMING A LIMITED LIABILITY LIMITED PARTNERSHIP

A limited liability limited partnership begins as a limited partnership. The limited partnership must be set up in compliance with Ohio Revised Code section 1782.08, as previously described in this pamphlet. The limited partnership may then convert into a limited liability limited partnership.

Ohio Revised Code Section 1782.64 governs conversion of a limited partnership to a limited liability limited partnership. A limited partnership becomes a limited liability limited partnership by doing all of the following:

- 1. Obtaining approval of the conversion by the vote necessary to amend the partnership agreement.
- Filing a Statement of Qualification (Form 536 Statement of Domestic Qualification or Form 537 - Statement of Foreign Qualification) pursuant to Ohio Revised Code section 1776.81.
- 3. Complying with the naming requirements of Ohio Revised Code section 1776.82 by including in the name "limited liability partnership," "registered limited liability partnership," "registered partnership having limited liability," "L.L.P.," "R.L.L.P.," "P.L.L.," "LLP," "RLLP," or "PLL."

A limited liability limited partnership continues to function in the same manner as before the filing of the Statement of Qualification; however, general partners will no longer be jointly and severally liable for the debts of the partnership. The liability of the general partners is now capped at the amount of their investment. Both general and limited partners are governed by sections 1776.36 and 1776.37 of the Ohio Revised Code. Limited liability limited partnerships do not need to file biennial statements, however, over the life of a limited liability



limited partnership, additional filings with the Ohio Secretary of State may be required. You should consider consulting legal counsel and/or the Ohio Revised Code to determine whether and when filings must be made with our office.

## 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.

To submit a filing in person please go to the Secretary of State's Client Service Center at 22 North Fourth Street, Columbus, Ohio 43215 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 22 North Fourth Street, Columbus, Ohio 43215 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 22 North Fourth Street Columbus, Ohio 43215 614.466.3910 877.767.3453

TTY: 877.644.6889

#### **Walk-In Client Service Center**

22 North Fourth Street Columbus, Ohio 43215

#### **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 10 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.
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 877.767.3453 | **TTY** 877.644.6889

22 North Fourth Street | Columbus, Ohio 43215