

your
guide to

Jon Husted
Ohio Secretary of State

Starting a Partnership

in
Ohio



your
BUSINESS
begins here



JON HUSTED
Ohio Secretary of State



Ohio Secretary of State
Business Services Division



Dear Ohioan:

Ohio is open for business!

Starting a business in Ohio begins here at the Secretary of State's Office. Here, we authorize companies to do business in our state and we strive to make the filing process as straightforward as possible so you can focus more on growing your business and less on government bureaucracy.

I encourage you to visit the Ohio Business Central website at www.OHBusinessCentral.com. Through Ohio Business Central, you can file the most frequently used forms online. You can also obtain all other forms and office publications, search existing businesses and sign up for our Filing Notification System to track and protect your business from potential identity theft.

Starting a business requires a great deal of planning and work and while the *Guide to Starting a Partnership in Ohio* is meant to help, it is important to remember it does not constitute legal advice. Please seek professional counsel specific to your situation and goals.

Should you have further questions regarding partnership filings, please call (877) SOS-FILE (877-767-3453) or e-mail the business services staff at busserv@OhioSecretaryofState.gov.

Thank you for consulting with the Ohio Secretary of State's Office for your business needs. We look forward to serving you.

Sincerely,

Jon Husted
Ohio Secretary of State

your **BUSINESS** begins here

Start and Manage Your Business Online

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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.

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 www.OhioSecretaryofState.gov and click on "Businesses." You may also request forms be sent to you via fax or regular mail by calling (877) SOS-FILE (877-767-3453). The filing fee associated with each filing, as well as completion instructions, are provided on each form. Some forms may be filed online at the Secretary of State's Ohio Business Central website at www.OHBusinessCentral.com.

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 for-profit 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:

1. 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.
2. 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:

1. 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 25 for expedite 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). This form can be filed online at the Secretary of State's Ohio Business Central website at www.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 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. This form can be filed online at the Secretary of State’s Ohio Business Central website at www.OHBusinessCentral.com.

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.

Frequently Asked Questions

Q: How can I serve a complaint on a general partnership that has failed to maintain a valid statutory agent?

A: 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.

Q: If I serve a general partnership through the Secretary of State, will the office notify me that service has been made?

A: Yes. After completing service upon a general partnership that has failed to maintain a statutory agent, the Secretary of State will send you a "Proof of Service" certificate indicating that service has been made pursuant to Ohio Revised Code Section 1776.07(G)(2).

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.

Some forms may be filed online at the Secretary of State's Ohio Business Central website at www.OHBusinessCentral.com. For more information, or to obtain filing forms, visit the Ohio Secretary of State's website at www.OhioSecretaryofState.gov and click on "Businesses." You may also request forms be sent to you via fax or regular mail by calling (877) SOS-FILE (877-767-3453). 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 must include the following:

1. 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 25 for expedite information).

Choosing a Business Name

The Certificate must include a business name. Ohio Revised Code 1782.02 provides that any name of a limited partnership must include “Limited Partnership,” “L.P.,” “Ltd.,” or “Limited.” Limited partnerships are forbidden from including the name of a limited partner in the name of the business unless it is also the name of a general partner or the name was in existence before the limited partner was admitted. The name of a limited partnership must be distinguishable from any other limited partnership, corporation, limited liability company, limited liability partnership or trade name that is registered with the Secretary of State’s Office.

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 www.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. This form can be filed online at the Secretary of State's Ohio Business Central website at www.OHBusinessCentral.com.

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.

Frequently Asked Questions

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

A: Ohio Revised Code Section 1782.04 enumerates requirements for a limited partnership to maintain continuously a statutory agent. However, if a limited partnership fails to maintain a statutory agent, the limited partnership may be served pursuant to rule 4.2 of the Ohio Rules of Civil Procedure by certified or express mail to any of its usual places of business or by serving a manager or member.

Q: How does the Secretary of State record the name of a foreign limited partnership if its name conflicts with a business name already on record?

A: 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.

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 for-profit. 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.

Some forms may be filed online at the Secretary of State's Ohio Business Central website at www.OHBusinessCentral.com. For more information, or to obtain filing forms, visit the Ohio Secretary of State's website at www.OhioSecretaryofState.gov and click on "Businesses." You may also request forms be sent to you via fax or regular mail by calling (877) SOS-FILE (877-767-3453). 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 25 for expedite 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.”

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 www.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 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 does not have to sign. 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. This form can be filed online at the Secretary of State's Ohio Business Central website at www.OHBusinessCentral.com.

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:

1. 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.

3. 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 www.OHBusinessCentral.com.

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.

Frequently Asked Questions

Q: What constitutes “transacting business” in Ohio rendering a foreign limited liability partnership subject to registration requirements?

A: 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 for-profit. 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.
2. 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 www.ohbusinesscentral.com 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 www.OhioSecretaryofState.gov. Please mail the form to the address provided on the first page of the filing form as well as a check, money order or credit card authorization form.

To submit a filing in person please go to the Secretary of State's Client Service Center at 180 E. Broad St., suite 103 (Ground Floor), Columbus, OH 43215 between 8 a.m. and 5 p.m., Monday to Friday. The Client Service Center is closed on holidays and the day after Thanksgiving.

Expedite Service

The Ohio Secretary of State offers three levels of expedite service for filings. The expedite 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.

| Levels of Expedite | Additional Fee | Turnaround Time |
|--------------------|----------------|-----------------|
| Expedite Level 1 | \$100.00 | 2 Business Days |
| Expedite Level 2 | \$200.00 | 1 Business Day |
| Expedite Level 3 | \$300.00 | 4 Hours* |

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

In the event of an expedite 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:** Expedite 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

180 E. Broad St., 16th floor

Columbus, Ohio 43215

Phone: (614) 466-3910

(877) SOS-FILE (877-767-3453)

TTY: (614) 466-0562

Toll Free TTY: (877) 644-6889

Fax: (614) 995-2238

Walk-In Client Service Center

180 E. Broad St., Suite 103 (ground floor)

Columbus, Ohio 43215

E-mail: busserv@OhioSecretaryofState.gov

Website: www.OhioSecretaryofState.gov

File online: www.OHBusinessCentral.com

Available Resources

This guide focuses on the forms and processes of the Secretary of State's Office with respect to forming partnerships in Ohio. However, there are other agencies that regulate and/or assist partnerships. Below is a list of some state agencies that new entities should contact to learn more about additional legal requirements or to obtain useful information.

Ohio Attorney General

30 E. Broad St., 14th floor
Columbus, Ohio 43215
(614) 466-4986
Toll Free: (800) 282-0515
www.ohioattorneygeneral.gov

Ohio State Bar Association

(800) 282-6556
www.ohiobar.org

Ohio Chamber of Commerce

(614) 228-4201
www.ohiochamber.com

Ohio Civil Rights Commission

30 E. Broad St., 5th floor
Columbus, Ohio 43215
(614) 466-2785
www.crc.ohio.gov

Ohio Department of Commerce

77 S. High St., 23rd floor
Columbus, Ohio 43215
(614) 466-3636
www.com.state.oh.us

Division of Financial Institutions

77 S. High St., 21st floor
Columbus, Ohio 43215
(614) 728-8400
com.ohio.gov/fjin

Ohio Development Services Agency

77 S. High St.
Columbus, Ohio 43215-6130
Toll Free: (800) 848-1300
development.ohio.gov

Ohio Economic Development Association

(800) 632-7763
www.ohioeda.com

Ohio Department of Health

246 N. High St.
Columbus, Ohio 43215
(614) 466-3543
www.odh.ohio.gov

Ohio Department of Insurance

50 W. Town St., Suite 300
Columbus, Ohio 43215
(614) 644-2658
Consumer Hotline: (800) 686-1526
Fraud Hotline: (800) 686-1527
OSHIP Hotline: (800) 686-1578
TDD Number: (614) 644-3745
www.insurance.ohio.gov

Internal Revenue Service

Individuals: (800) 829-1040
Businesses: (800) 829-4933
Exempt Organizations: (800) 829-5500
www.irs.gov

Ohio Department of Job & Family Services

30 E. Broad St., 32nd floor
Columbus, Ohio 43215
(614) 466-2455
jfs.ohio.gov

JobsOhio

jobs-ohio.com

National Federation of Independent Business - Ohio

(614) 221-4107
www.nfib.com/ohio

Ohio New Hire Reporting Center

(888) 872-1490 ext. 300

www.OH-NewHire.com

Ohio Business Gateway

(866) OHIO-GOV (644-6468)

ohiobusinessgateway.ohio.gov

Ohio Revised Code Online

codes.ohio.gov

Ohio Relay for the Hearing Impaired

(800) 676-3777

SCORE Ohio Chapters

www.scoreworks.org/ohio.htm

Small Business Administration

401 N. Front St., Suite 200

Columbus, Ohio 43215

(614) 469-6860

www.sba.gov

Ohio Society of Certified Public Accountants

(800) 686-2727

www.ohiocpa.com

State of Ohio

www.ohio.gov

Ohio Department of Taxation

4485 Northland Ridge Blvd.

Columbus, Ohio 43229

(888) 405-4039

www.tax.ohio.gov

Ohio Bureau of Workers' Compensation

30 W. Spring St.

Columbus, Ohio 43215

(800) OHIO-BWC

www.bwc.ohio.gov

Helpful steps as you further develop your business or organization

1. Register with the Ohio Secretary of State.

Register online at www.OHBusinessCentral.com or find the forms needed to file for your business at www.OhioSecretaryofState.gov.

2. Contact the Internal Revenue Service (IRS) to obtain an Employer Identification Number (EIN).

Additional information and an online application are available at www.irs.gov - search "EIN."

3. Then, open a bank account.

You will need your EIN to open a bank account.

4. Contact the Ohio Department of Taxation.

Register with the Ohio Department of Taxation at www.tax.ohio.gov. The Ohio Department of Taxation can assist businesses in determining state and local tax obligations.

5. Report newly hired and re-hired employees to the Ohio New Hire Reporting Center.

Report employee information at www.OH-NewHire.com. More information can be obtained by contacting the Ohio New Hire Reporting Center at (888) 872-1490 ext. 300.

6. Contact the Ohio Bureau of Workers' Compensation.

If your business or organization has an employee or employees visit www.bwc.ohio.gov under "Employers."

7. Contact the Ohio Department of Job & Family Services.

Employers may be required to establish an Unemployment Compensation Tax Account with the Ohio Department of Job & Family Services. Visit jfs.ohio.gov - search "Employer."

8. Finally, obtain the proper licenses and permits.

The Ohio Business Gateway, www.business.ohio.gov, "Licenses & Permits" page provides a list of professional licenses and business permits necessary to do business in Ohio. Contact your county and local government to determine if any special requirements exist for your type of business.

Special Considerations for Nonprofit Organizations

Apply for tax exemption. Visit www.irs.gov to apply to become a tax-exempt organization. Also, contact the Ohio Department of Taxation and your county and local governments to determine how to apply for applicable exemptions.

Register with the Ohio Attorney General's Office if entity is a charitable organization.

Ohio requires charitable organizations located in Ohio and groups that ask Ohioans for contributions to register and file annual reports. Please go to www.ohioattorneygeneral.gov for more information.

Apply for a nonprofit postal permit. Apply for a nonprofit mailing permit from the United States Postal Service at www.usps.com.

Disclaimer: The information contained in this document is not legal or accounting advice. You should consult a legal or accounting professional.

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Ohio Business Profile

Jon Husted
Ohio Secretary of State



As the place where business begins in Ohio, the Ohio Secretary of State's Office has launched the **Ohio Business Profile** to highlight some of the great work being done in the Buckeye State. Each month a handful of diverse businesses with a common theme will be selected to be featured on our website. If you are interested in having your business profiled go to www.OhioBusinessProfile.com.

Ohio
BUSINESS
Profile

For more information: (877) SOS-OHIO (877-767-6446) x4
OBP@OhioSecretaryofState.gov

Follow OhioSOSHusted:



JON HUSTED

Ohio Secretary of State



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Columbus, Ohio 43215

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Toll Free: (877) SOS-FILE (877-767-3453)

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E-mail: busserv@OhioSecretaryofState.gov

On the web: www.OhioSecretaryofState.gov

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