Choosing a Limited Liability Company Name

It is important to note that the filing of Articles of Organization under the Limited Liability Company Law by the Department of State does not grant rights or interests in the limited liability company's name. The Department of State's role is ministerial. The Secretary of State does not have the power to determine or settle competing claims to a name under other statutes or under common law.

Names which are acceptable for filing with the Department of State pursuant to the applicable provisions of the <u>Limited Liability Company Law</u> and the <u>Rules and Regulations</u> of the Department of State may, nevertheless, infringe on the rights of another entity or entities currently using the same name or a similar name. The following may be helpful in determining whether a name is available for use:

- 1. Check the telephone listings in the areas your business will operate for similar names.
- 2. Check with the county clerk's office of the counties in which your business will operate for similar names.
- 3. Check business directories, city directories, chamber of commerce lists, internet, etc. for similar names.
- 4. Review trademarks and service marks on file with U.S. Patent and Trademark Office.
- 5. Search the filing offices of other states for similar names. The appropriate office may vary according to the laws of each state.

The name of the limited liability company must be distinguishable from the names of other limited liability companies, corporations and limited partnerships already on file with the Department of State. Specifically, Limited Liability Company Law § 204 provides that the name of a limited liability company must be distinguishable from the names of other domestic and foreign limited liability companies, corporations of any type or kind or limited partnerships currently on file in the Division of Corporations of the Department of State. A new limited liability company's name must also be distinguishable from the fictitious names of authorized foreign limited liability companies, corporations or limited partnerships.

Limited Liability Company Law § 204 does not require limited liability company names to be distinguishable from federal and state trademarks or service marks, assumed business names or the names of general partnerships or sole proprietorships. Consequently, the Department of State does not compare proposed names with trademark or service mark registrations, assumed business names or the names of general partnerships or sole proprietorships.

Limited Liability Company Law § 204 requires that the name of the limited liability company contain the words: "Limited Liability Company" or one of the following abbreviations, "LLC" or "L.L.C."

Limited Liability Company Law § 204 prohibits or restricts the use of certain words and phrases in the name of the limited liability company. Prohibited words may not be used in a limited liability company's name. A restricted word or phrase may not be used unless the conditions of the restriction have been complied with including, when required, the consent or approval from another agency prior to filing the Articles of Organization with the Department of State.

Prior to submitting the Articles of Organization for filing, the proposed name of the limited liability company can be searched for availability by writing to the Department of State.

Names may be reserved prior to filing the Articles of Organization. To reserve a limited liability company name, file an Application for Reservation of Name.

Finally, please be aware that the methodology used by the Department of State to ascertain whether a proposed name is acceptable will not insure that in all instances a name which is unacceptable is rejected. It is the responsibility of the filer to determine that the proposed name is in compliance with all applicable laws and rules. When a name which has been accepted for filing is later found to be unacceptable, the limited liability company will be notified by the Department of State that the limited liability company must amend its name in order to provide an acceptable name. A limited liability company that fails to amend its name when so required will have its authority to conduct business or activities in this state suspended. The filing of a certificate of amendment providing for an acceptable name will annul the suspension and the limited liability company's authority to conduct business or activities in this state shall be restored and continue as if no suspension had occurred.