Delaware LLC Formation Checklist

Step 1: Name Your Delaware LLC

The name of your Delaware LLC should be distinguishable from other business names in your state and must meet the Delaware naming guidelines.

How to Complete This Step:

Review Delaware's naming guidelines

- Your name must include the phrase "limited liability company" or one of its abbreviations (LLC or L.L.C.).
- Your name cannot include words that could confuse your LLC with a government agency (FBI, Treasury, State Department, etc.).
- Your name may contain the following words: Company, Association, Club, Foundation, Fund, Institute, Society, Union, Syndicate, Limited, Public Benefit, or Trust.
- Your name cannot contain the word "bank" or any variation unless the company is authorized as
 a bank by the state. However, the word "bank," or any variation, can be used if the context clearly
 doesn't refer to a banking business or mislead the public about the nature of the business. An
 example of an acceptable use would be Bank Shot Basketball LLC.
- · Your name must be distinguishable from any existing business in the state.

Brainstorm business names

Check if the web domain is available

Make sure the name you want isn't already taken by doing a <u>general information name search</u> or a <u>name availability search</u> on the Delaware Department of State website.

Your Business Name:

Your Business URL:

Step 2: Choose a Registered Agent

A <u>registered agent</u> is the person or company you choose to accept official communication on behalf of your LLC.

Your registered agent must be:

- 18 years or older
- · A resident of Delaware
- Available at all times during normal business hours (i.e., 9 a.m.-5 p.m. Monday through Friday) at their listed physical address (no P.O. boxes)

Many businesses choose to use a <u>registered agent service</u> for convenience and privacy.

Registered Agent Name and Address:



Step 3: File Your Certificate of Formation

The Certificate of Formation is the paperwork required to register your LLC. This document is filed with the Delaware Division of Corporations, either <u>online</u> or by <u>mail</u>. Mail filings must include a <u>cover sheet</u>.

You will need to provide the following information:

- Name of the LLC (Step 1)
- Name and address of the registered agent (Step 2)

This is also a good time to decide if your LLC will be member-managed or manager-managed.

A member-managed LLC structure is when the members of the LLC are involved with the management of the LLC. A manager-managed LLC is when a few assigned individuals are responsible for managing the LLC.

Step 4: Create an Operating Agreement

An operating agreement lays out the rules and management structure of your LLC.

While Delaware legally requires LLCs to maintain an operating agreement, it doesn't need to be filed with the state. You'll keep it in your LLC records file and return to it as needed to clarify rules and settle disputes.

Step 5: Get an EIN

An Employer Identification Number (<u>EIN</u>) is like a Social Security number for your business. EINs are free and easy to get from the IRS using <u>Form SS-4</u> or by filling out the <u>online application</u>.

