# TITLE 20 CORPORATIONS DELAWARE ADMINISTRATIVE CODE

## **DEPARTMENT OF STATE**

DIVISION OF CORPORATIONS

100 Division of Corporations

### 102 Business Entity Name Standards and Process

#### 1.0 Enabling Legislation

- 1.1 29 **Del.C.** §8703 enables the Secretary of State to establish regulations governing the administration and operation of the Department of State as may be deemed necessary by the Secretary of State and which are not inconsistent with the laws of this State.
- The Division has the power to perform and shall be responsible for the performance of all the powers, duties and functions vested in the Secretary of State pursuant to Subtitle I of Title 6 and Title 8. 29 **Del.C.** §8704. Such vested powers, duties, and functions include regulating the administration and operation of the Division as well as the performance of the Secretary of State's duties and functions with respect to filings submitted to and accepted by the Division relating to business entities incorporated or formed in Delaware pursuant to 8 **Del.C.** Ch. 1; 6 **Del.C.** Chs. 15, 17 and 18.

#### 2.0 Purpose

- 2.1 The purpose of this regulation is to clarify the standards in Delaware regarding the names of Delaware business entities, while, in a narrowly-tailored fashion, preventing the naming of a business entity in a manner that is likely to violate the law, mislead the public or lead to a pattern and practice of abuse that would cause harm to the interests of the public or the State of Delaware.
- 2.2 The Division expressly determines that its Delaware Corporate Information System ("DCIS"), which is the State's computerized, online system for business organization filings, to be a non-public forum and not a platform for the exercise of legal rights. This regulation outlines the standards for entity names and the process of review, which carefully and narrowly balances any alleged infringement on statutory requirements, public policies, and the rights of others, against the interests of the public and the State of Delaware, including Delaware's interest in its standing in the global business-community.

#### 3.0 Definitions

The following words and terms, when used in this regulation, shall have the following meaning unless the context clearly indicates otherwise:

- "Business Entity" means any partnership (whether general (including a limited liability partnership) or limited (including a limited liability limited partnership), corporation or limited liability company, organized or to be organized under the Delaware Code and filing or seeking to file the required documents with the Division of Corporations in the Department of State.
- "Corporation" means an entity that is organized or incorporated in accordance with the Delaware Code and as expressly set forth at Title 8 of the Delaware Code.
- "Department" means the Delaware Department of State.
- "Division" means the Division of Corporations, Delaware Department of State.
- "Limited Liability Company" means an entity that is formed in accordance with the requirements of a "limited liability company" or a "series" of a limited liability company, as defined at 6 Del.C. §18-101, as amended.
- "Limited Partnership" means an entity that is formed in accordance with the requirements of a "limited partnership" as defined at 6 Del.C. §17-101, as amended.
- "Partnership" means an entity that is formed in accordance with the requirements of a "partnership" as set forth in the Delaware Code at 6 Del.C. §15-202, as amended.
- "Secretary" means the Secretary of State of the State of Delaware.
- "Trust" means a statutory trust as set forth in the Delaware Code and as expressly defined in 12 **Del.C.** Ch. 38, as amended.

#### 4.0 Standards

# TITLE 20 CORPORATIONS DELAWARE ADMINISTRATIVE CODE

- 4.1 After receipt of a request to reserve a name for a business entity or to accept a filing submitted on behalf of, a business entity, the Division will review the proposed name of the business entity, subject to a right of refusal by the Division, if the proposed name fails to meet the following standards:
  - 4.1.1 Does not contain words that discriminate against, disparage, or denigrate any of the protected classes, as provided under Federal Law (including the U.S. Civil Rights Act of 1964, as amended), to include but not limited to race, color, religion, sex including pregnancy, sexual orientation, national origin, disability, age (40 years or older), marital status or genetic information;
  - 4.1.2 Does not contain words likely to facilitate, incite or foster any criminal act or offense as prohibited under Delaware law, as amended, to include but not be limited to those set forth in Title 11 of the Delaware Code:
    - 4.1.2.1 Acts of terrorism, terroristic threatening or offensive touching (11 Del.C. Ch. 5);
    - 4.1.2.2 Endanger the life or physical safety of an individual or threatening public safety (11 Del.C. Ch. 5);
    - 4.1.2.3 Hate Crimes, Stalking, Cyberstalking, Bullying or Cyberbullying (11 Del.C. Ch. 5);
    - 4.1.2.4 Narcotic drug, opioid or controlled substances (16 Del.C. Ch. 47) (Example: "Opioids-R-Us");
    - 4.1.2.5 Fraud (6 Del.C. Subtitle II, 11 Del.C. Ch. 5);
    - 4.1.2.6 Deadly weapon or dangerous instrument (11 Del.C. Ch. 5); or
    - 4.1.2.7 Obscene or libelous language (11 **Del.C.** Ch. 5).
  - 4.1.3 Does not contain words likely to cause public deception or confusion or result in difficulty in administration by the Division (Example: five-hundred-letter entity name);
  - 4.1.4 Does not contain words likely to mislead the public about the business purpose of the business entity (8 **Del.C.** §102; 6 **Del.C.** §18-102); or
  - 4.1.5 Does not contain words likely to lead to a pattern and practice of abuse that would cause harm to the interests of the public or Delaware (8 **Del.C.** §102; 6 **Del.C.** §18-102).

#### 5.0 Application

This regulation shall not be interpreted or applied by the Division in any manner that conflicts with public policy or statutory provisions in the Delaware Code, including those regulating the inclusion of the term "bank" or "trust" in a business entity name. 8 **Del.C.** §102(a); 8 **Del.C.** §395; 6 **Del.C.** §18-102; 6 **Del.C.** §17-102; 6 **Del.C.** §15-108.

23 DE Reg. 323 (10/01/19)