



ASIC

Australian Securities & Investments Commission

INFORMATION SHEET 189

Using ‘Limited’, ‘No Liability’ or ‘Proprietary’ in a name

This information sheet explains when an entity carrying on a business under a company structure must use the words ‘Limited’, ‘No Liability’, or ‘Proprietary’ in a name. It also explains when a business is not allowed to include these words and how to search ASIC’s registers for names.

What is the difference between a company and a business?

A company is a legal entity distinct from its owners and directors. A business is a way of making money. You do not have to form a company to run a business. Many people work and earn money without having a registered company.

How do I know if it is a company or a business?

When ASIC registers a company, we give it a nine-digit number called an Australian Company Number (ACN). This number identifies the company.

You can also register a business name with ASIC – but to do so, you must first obtain an 11-digit Australian Business Number (ABN). You can apply online for an ABN through the Australian Business Register website at www.abr.gov.au.

A company or a business must display its ACN or ABN on documents such as letters and invoices. A company’s ABN can be used in place of its ACN if the last nine digits of its ABN are the same and in the same order as its nine-digit ACN.

Some company owners choose to include a company’s ACN or ABN as part of its name, which ensures that whenever the name is displayed the ACN or ABN is also displayed.

If a company’s ACN is not used in its name then the words ‘Australian Company Number’ or ‘ACN’ and the company’s nine-digit ACN or 11-digit ABN must be included for the purpose of identifying the company – for example, ‘Generic Company, ACN 111 222 333’.

When can an entity use certain words?

A registered company must include the words ‘Limited’, ‘No Liability’ or ‘Proprietary’ in its name, depending on what type of company it is. These words are sometimes abbreviated to ‘Ltd’, ‘NL’ or ‘Pty’ (or ‘Pty Ltd’).

Information sheets provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.

Registering a business is not the same as registering a company. If you are operating a registered business that is not also a registered company, you are not allowed to use these words in its name.

What you should do

If you are unsure about the use of these words in a name, there are a number of options available to you.

Contact the business	A registered company or business can provide you with the correct spelling of its name and its ACN or ABN.
Search ASIC's registers	Registered company and business names are listed on ASIC's registers at www.asicconnect.asic.gov.au .
Seek legal advice	We recommend you seek legal advice to discuss use of these words in a name if you need more help. If you are unsure about how to access legal advice, contact the Law Society in your state or territory.
Report misconduct to ASIC	If you have concerns about the inappropriate use of the words 'Limited', 'No Liability', or 'Proprietary' by a business, you can lodge a report of misconduct with us at www.asic.gov.au/complain . However, before you do this, you should read the section below on 'ASIC and misuse of certain words'.

ASIC and misuse of certain words

It is an offence to improperly use the words 'Limited', 'No Liability' or 'Proprietary' in a business name—that is, if the registered business is not also a registered company.

While we can take action if there has been a breach of the *Corporations Act 2001* (Corporations Act), we exercise our discretion in deciding whether to investigate a report of a potential breach.

Generally, we do not act for individuals and we will only take action where we have sufficient evidence of a breach of the Corporations Act and where the action will result in a greater impact in the market and benefit the general public more broadly.

Where can I get more information?

- For information about ASIC's role, see www.asic.gov.au/our-role.
- For information about the laws ASIC administers, see www.asic.gov.au/legislation.
- To search ASIC registers, go to www.asicconnect.asic.gov.au.

Important notice

Please note that this information sheet is a summary giving you basic information about a particular topic. It does not cover the whole of the relevant law regarding that topic, and it is not a substitute for professional advice. You should also note that because this information sheet avoids legal language wherever possible, it might include some generalisations about the application of the law. Some provisions of the law referred to have exceptions or important qualifications. In most cases your particular circumstances must be taken into account when determining how the law applies to you.