REJECTION OF COVERAGE FORM (For Oral Operating Agreements)

Section 347.015 of Missouri's Revised Statutes defines a "member" of a limited liability company (LLC) as:

> *"...any person that signs in person or by attorney in fact, or otherwise is a party to the operating agreement at the time the limited liability company is formed and is identified as a member in that operating agreement and any person who is subsequently admitted as a member in a limited liability company in accordance with section 347.010 to 347.187 and the operating agreement, until such time as an event of withdrawal occurs with respect to such person..."*

Based on the recommendations of the Missouri Department of Insurance as set forth in Department Bulletin 96-02, the members of your LLC are presumed to be "employees" of the LLC for purposes of calculating the LLC's workers' compensation premiums. This presumption will apply to LLC policies except where: 1) the LLC's official Operating Agreement contains a provision indicating that the individual LLC members will be considered employees of the LLC *unless* they individually reject said status on a written Rejection of Coverage Form; and, 2) such individual LLC members list themselves & sign and date a Rejection of Coverage Form indicating that they are opting out of "employee" status under the Missouri's Workers' Compensation Law for the policy period in question. It is recommended that "inactive" LLC members also be included on this form.

Name of Limited Liability Company:
Name of Insurance Company:
Workers' Compensation Policy Number: Policy Period : / / to / /

As agreed to under the oral Operating Agreement of this Limited Liability Company, each undersigned member rejects status as an "employee" for purposes of the Missouri Workers' Compensation Law:

LLC Member's Name (Type or Print)	Check if: Member is "inactive"	Member's Signature	Date