



ELECTION TO EXCLUDE RELATIVES OF MANAGERS OF A LIMITED LIABILITY COMPANY

Close relatives of managers of limited liability companies may be excluded from workers' compensation coverage if the company files an election with the Department of Labor and Industry and informs the insurer of the elected exclusion. Minnesota Statutes §176.041, subd. 1 paragraph (t), states as follows:

"[This chapter does not apply to] persons employed by a limited liability company having ten or fewer members and having less than 22,880 hours of payroll in the preceding calendar year who are related by blood or marriage, within the third degree of kindred according to the rules of civil law, to a manager of a limited liability company described in paragraph (r), if the company files a written election with the commissioner to exclude these persons. A written election is not required for a person who is otherwise excluded from this chapter by this section; or

"Paragraph (r)" excludes from coverage:

"a manager of a limited liability company having ten or fewer members and having less than 22,880 hours of payroll in the preceding calendar year, if that manager owns at least a 25 percent membership interest in the limited liability company.

"Relatives within the third degree of kindred" include parents, grandparents, great-grandparents, children, grandchildren, great-grandchildren, aunts, uncles, nieces, nephews, and siblings. Spouses, parents, and children, regardless of age, are automatically excluded from coverage unless the limited liability company elects in writing to cover these individuals.

You need not file this form if the only persons you wish to exclude are the spouse, parents and children of a manager who owns at least a 25 percent membership interest in the limited liability company.

This form must be filed if you want to exclude other relatives of the managers.

NAME OF LIMITED LIABILITY COMPANY	ADDRESS	
CITY	STATE	ZIP

Payroll Hours in the Previous Calendar Year _____ **Total Number of Limited Liability Members** _____

List managers of the limited liability company and the membership interest owned by each manager.

Limited Liability Company Managers	Percent of Membership Interest

If you require more space for additional names, you may attach another sheet with the specified information.

List family members whom you are electing to exclude from the limited liability company's workers' compensation insurance coverage and the relationship to a limited liability company manager who owns at least 25 percent of the membership interest.

Excluded Family Member	Relation	LLC Manager

The above information is complete and accurate to the best of my knowledge.

NAME (PRINTED OR TYPED)	TITLE	
SIGNATURE	DATE	PHONE NO.

WARNING: The Department of Labor and Industry does not guarantee that this election to exclude family members from workers' compensation coverage is legally effective. The limited liability company is responsible for determining its legal obligations and for correctly performing the election. The Department will notify you of potential defects if they are discovered, but you may wish to consult your own attorney regarding the legal effect of this election.

You must file a copy of this form with the Department of Labor and Industry via mail or fax to:

Department of Labor and Industry
 Workers' Compensation Division – CSI
 PO Box 64229
 St. Paul, MN 55164-0229
 Fax: 651-284-5733

You must also submit a copy of this form to your workers' compensation insurance company.

PLEASE SPECIFY THE NAME OF WORKERS' COMPENSATION INSURANCE COMPANY:

The election to exclude coverage is not effective unless this form has been filed with the Minnesota Department of Labor and Industry.

This material can be given to you in different formats, such as large print, Braille or on audio tape. Please call (651) 284-5019 (voice) or (651) 297-4198 (TTY).

For questions regarding this form, you may call Johnnie Walters at (651) 284-5453, or e-mail Johnnie.Walters@state.mn.us.