

# **AFFIDAVIT**

## **Non-Employee Participant**

(Only for Use with Allied's Funding Advantage Self-Funded Plan)



**"Non-Employee Participant"** means, with respect to the group benefit plan ("Plan") sponsored by the affiliated employer ("Plan Sponsor"), an individual actively expending time and energy, in the service of the regular business of the Plan Sponsor, on a non-temporary, full-time basis of at least thirty (30) hours per week, and receiving compensation for that service from the Plan Sponsor, other than in an employment relationship\*, who is then allowed to participate in the Plan as an "eligible employee".

\* Non-employment relationships include sole proprietors, general or limited partners, LLC or LLP members, corporate board members, corporate officers, independent contractors, leased employees and other non-employees associated with the Plan Sponsor in a business relationship.

**Instructions:** A Non-Employee Participant must use this Affidavit to certify eligibility to participate in the Plan on the same basis as an eligible employee. This is a legal document that must be approved by a representative of the Plan Sponsor. You do not need to submit this form if your association with the Plan Sponsor is otherwise documented or reported as an employment relationship, such as in employment contracts, unemployment tax reports, W-2 tax forms, workers' compensation filings and wage withholdings.

**Enrollment:** To ensure coverage under the Plan, you must submit your enrollment form **and this properly executed affidavit** within the enrollment time periods permitted under the Plan. **Important:** Refer to the Plan's summary plan description for all eligibility, enrollment and termination provisions and penalties.

**Legal Notice:** Depending on applicable law, permitting a non-employee to participate in an employee benefit plan may cause that non-employee's business relationship with the Plan Sponsor to be recharacterized as an employment relationship. If this occurs, the Plan Sponsor may be subject to regulatory/legal claims for employment taxes and/or back wages (including interest/penalties). You and the Plan Sponsor are therefore encouraged to consult independent legal counsel before executing and submitting this Affidavit.

### **I, THE UNDERSIGNED INDIVIDUAL, BEING DULY SWORN UPON MY OATH, DECLARE AND CERTIFY THAT:**

1. I am a Non-Employee Participant, as that term is defined above.
2. My association as a Non-Employee Participant:
  - Began on or about \_\_\_\_\_, \_\_\_\_\_ with the Plan Sponsor;
  - Is not currently documented or reported as an employment relationship with the Plan Sponsor (in employment contracts, unemployment tax reports, W-2 tax forms, workers' compensation filings or wage withholdings, etc.); and
  - May be reasonably described as \_\_\_\_\_ (sole proprietor, general or limited partner, LLC or LLP member, corporate board member, corporate officer, independent contractor, leased employee, etc.) for the Plan Sponsor.
3. The services I provide to the Plan Sponsor as a Non-Employee Participant are currently performed:
  - Using the active expenditure of my time and energy;
  - On a non-temporary, regular basis;
  - On a full-time basis of at least thirty (30) hours per week;
  - In the regular business of the Plan Sponsor; and
  - For compensation from the Plan Sponsor.
4. I am able and willing to provide, upon request, acceptable tax, financial and/or legal documentation verifying my non-employment relationship with the Plan Sponsor.
5. I acknowledge that if, at some point in the future, my non-employment relationship with the Plan Sponsor no longer meets one (1) or more of the requirements in #3 above, my coverage under the Plan may terminate back to the date of ineligibility (with forfeiture of benefits).
6. The above statements are true and correct to the best of my knowledge and belief. I acknowledge that an omission or misrepresentation in this Affidavit, if intentional and material to my enrollment, may result in a denial or loss of coverage, now or in the future, including retroactive termination, forfeiture of benefits and liability for damages.

### **NON-EMPLOYEE PARTICIPANT**

Signature: \_\_\_\_\_ Print Name: \_\_\_\_\_ Date: \_\_\_\_\_

### **PLAN SPONSOR APPROVAL (by an authorized representative)**

Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_