

SUBJECT TO SUBSECTION (B) OF THIS SECTION, AN OFFICER OF A CORPORATION IS A COVERED EMPLOYEE IF THE OFFICER PROVIDES A SERVICE FOR THE CORPORATION FOR MONETARY COMPENSATION.

(B) ELECTION TO BE EXEMPT.

AN INDIVIDUAL WHO OTHERWISE WOULD BE A COVERED EMPLOYEE UNDER THIS SECTION MAY ELECT TO BE EXEMPT FROM COVERAGE IF:

(1) THE INDIVIDUAL IS AN OFFICER OF A CLOSE CORPORATION, AS DEFINED IN § 4-101(B) OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE;

(2) THE INDIVIDUAL:

(I) IS AN OFFICER OF A CORPORATION THAT EARNS AT LEAST 75% OF ITS INCOME FROM FARM OPERATIONS; AND

(II) OWNS AT LEAST 20% OF THE OUTSTANDING CAPITAL STOCK OF THE CORPORATION; OR

(3) THE INDIVIDUAL:

(I) IS AN OFFICER OF A PROFESSIONAL CORPORATION, AS DEFINED IN § 5-101(D) OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE;

(II) OWNS AT LEAST 20% OF THE OUTSTANDING CAPITAL STOCK OF THE CORPORATION; AND

(III) PERFORMS FOR THE CORPORATION A PROFESSIONAL SERVICE, AS DEFINED IN § 5-101(E) OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE.

(C) NOTICE OF ELECTION.

(1) A CORPORATION SHALL SUBMIT TO THE COMMISSION AND TO THE INSURER OF THE CORPORATION A WRITTEN NOTICE THAT NAMES THE INDIVIDUAL WHO HAS ELECTED TO BE EXCLUDED FROM COVERAGE.

(2) AN ELECTION UNDER SUBSECTION (B)(1) OF THIS SECTION IS NOT EFFECTIVE UNTIL A CORPORATION COMPLIES WITH THIS SUBSECTION.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 101, §§ 21(b)(2) and 67(4)(ii).

In subsection (b)(3)(i) of this section, the term "professional corporation" is substituted for the former term "professional services corporation", to conform to § 5-101(d) of the Corporations and Associations Article.