

dences of indebtedness, is reasonably required for the said purposes of the corporation. For the purpose of enabling it to determine whether or not it should issue such an order, the Commission shall make such inquiry or investigation, hold such hearings and examine such witnesses, books, papers, documents or contracts as it may deem of importance in enabling it to reach a determination. Such gas corporation or electrical corporation may issue notes, for proper corporate purposes, and not in violation of any provision of this sub-title or any other Act, payable at periods of not more than twelve months without such consent; but no such notes shall, in whole or in part, directly or indirectly, be refunded by any issue of stock or bonds, or by any evidence of indebtedness running for more than twelve months without the consent of the Commission; provided, however, the Commission shall have no power to authorize the capitalization of any franchise to be a corporation, or to authorize the capitalization of any franchise or the right to own, operate or enjoy any franchise whatsoever in excess of the amount (exclusive of any tax or annual charge) actually paid to the State or any political sub-division thereof as the consideration for the grants of such franchise or right. Nor shall the capital stock of a corporation formed by the merger or consolidation of two or more other corporations, exceed the sum of the capital stock of the corporations so consolidated, at par value thereof, or such sum and any additional sum actually paid in cash, nor shall any contract for consolidation or lease be capitalized in the stock of any corporation whatever, nor shall any corporation hereafter issue any bonds against a lien upon any contract for consolidation or merger.

An. Code, sec. 448A. 1914, ch. 445, sec. 34½.

393. Subject in every respect to the authority and supervision conferred upon the Commission by the next preceding Section, a gas corporation or electrical corporation organized or existing or hereafter incorporated under or by virtue of the laws of the State of Maryland, may issue stocks, bonds, notes or other evidences of indebtedness, payable at periods of more than twelve months after the date thereof, when necessary for the capitalization of its earnings expended prior to the first day of April, nineteen hundred and fourteen, in the acquisition of property, the construction, completion, extension, maintenance or improvement of its facilities; provided that the applicant shall have kept its accounts and vouchers in such manner as will enable the Commission to ascertain the amount so expended and the purposes for which such expenditures were made, and that application for the order of the Commission authorizing such issue shall be made on or before the first day of April, nineteen hundred and fifteen; and provided further, that the legal validity and effectiveness of any order of the Commission made prior to January first, nineteen hundred and fourteen, authorizing and approving an issue of stock for the capitalization of earnings expended in the acquisition of property, or in the improvements, maintenance or extension of facilities, shall not be in anywise affected, restricted or impaired by anything contained in this Act.