

(i) assumes or guarantees an obligation or liability with respect to stocks, bonds, securities, notes, or other evidence of indebtedness of any person that is payable wholly or partly more than 12 months after the date of the assumption or guarantee; or

(ii) issues stocks, bonds, securities, notes, or other evidence of indebtedness that is payable wholly or partly more than 12 months after the date issued.

(3) An issuance under paragraph (2)(ii) of this subsection shall conform to §§ 6-102 and 6-103 of this subtitle.

(b) (1) Subject to the requirements of subsection (c) of this section, the Commission may authorize an act described under subsection (a)(2) of this section if the Commission finds that the act is consistent with the public convenience and necessity.

(2) Authorization under this subsection does not:

(i) revive a lapsed franchise, validate an invalid franchise, or add to the powers and privileges in a franchise; or

(ii) waive a forfeiture.

(c) (1) This subsection does not apply to the formation of a holding company by a public service company in a corporate reorganization that involves an exchange of stock of the public service company for stock in the holding company.

(2) In this subsection, a company controlling a public service company is deemed a public service company of the same class as the controlled public service company.

(3) Without prior authorization of the Commission, a public service company may not take, hold, or acquire any part of the capital stock of a public service company OR OF A SUBSIDIARY OR AFFILIATE, AS DEFINED IN § 7-501 OF THIS ARTICLE, OF A PUBLIC SERVICE COMPANY that [is]:

(i) [incorporated] OPERATES in Maryland; and

(ii) IS of the same class as the acquiring company.

(4) (i) Except as provided in subparagraph (ii) of this paragraph, a stock corporation may not take, hold, or acquire more than 10% of the total capital stock of a public service company [incorporated] THAT OPERATES in Maryland unless:

1. the stock is acquired as collateral security; and

2. the Commission approves the acquisition.

(ii) The Commission may authorize a public service company of the same class to take, hold, or acquire more than 10% of the total capital stock of a public