

(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 service company [incorporated] THAT OPERATES in Maryland.

(5) A public service company may not be a party to a violation of this subsection.

6-102.

(a) This section applies only to public service companies that [are] OPERATE IN Maryland [corporations].

(b) The Commission shall authorize a public service company to issue stocks, bonds, securities, notes, or other evidence of indebtedness, payable wholly or partly more than 12 months after the date of issuance, if the Commission finds that the issuance is reasonably required for the public service company to:

- (1) acquire property;
- (2) construct, complete, extend, or improve its facilities;
- (3) discharge or lawfully refund its obligations;
- (4) maintain or improve service; or

(5) reimburse money, not secured by or obtained from the issuance, that is expended for a purpose described in item (1), (2), or (3) of this subsection within 5 years before the filing of an application with the Commission for the reimbursement.

(c) (1) The Commission may authorize a public service company to issue stocks, bonds, securities, notes, or other evidence of indebtedness, payable wholly or partly more than 12 months after the date of issuance, for the public service company to:

(i) conform the aggregate capitalization of the public service company to the value of its property; or

(ii) subject to paragraph (2) of this subsection, pay a dividend in shares of the public service company's own stock.

(2) An order of the Commission authorizing an issuance under paragraph (1)(ii) of this subsection shall state that:

(i) concurrently with the issuance, the public service company shall transfer from surplus to capital an amount that the Commission determines under paragraph (3) of this subsection; and