

(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 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 that operates in Maryland.

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

(6) NOTWITHSTANDING PARAGRAPH (2) OF THIS SUBSECTION, § 6-105 OF THIS SUBTITLE SHALL APPLY, AND THE PROVISIONS OF THIS SUBSECTION DO NOT APPLY, TO THE ACQUISITION, OWNERSHIP, OR DISPOSITION OF ANY CAPITAL STOCK ~~OF~~ OR VOTING SECURITIES OF A COMPANY THAT CONTROLS, DIRECTLY OR INDIRECTLY, A GAS AND ELECTRIC COMPANY.

(7) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBSECTION, THE COMMISSION MAY AUTHORIZE, IN ACCORDANCE WITH § 6-105 OF THIS SUBTITLE, THE TAKING, HOLDING, OR ACQUIRING OF ALL OR ANY PART OF THE CAPITAL STOCK OF A GAS AND ELECTRIC COMPANY THAT OPERATES IN THE STATE BY A STOCK CORPORATION OR A PUBLIC SERVICE COMPANY THAT IS NOT OF THE SAME CLASS AS THE GAS AND ELECTRIC COMPANY.

6-105.

(a) In this section, "affiliate" has the meaning stated in § 7-501 of this article.

(b) (1) The General Assembly finds that:

(i) existing legislation requires the approval by the Commission of the acquisition by one public service company of another public service company's stocks and obligations, but does not require the Commission's approval of these acquisitions by persons not engaged in the public utility business in the State; and

(ii) an attempt by a person not engaged in the public utility business in the State to acquire the power to exercise any substantial influence over the policies and actions of a public service company that provides electricity or gas in