

Decision No. 16251

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
SAN FRANCISCO - RICHMOND FERRY COMPANY, )  
a corporation, for an order authorizing ) Application No. 5097.  
the issue of Stock of the Par Value of )  
Eight Hundred Thousand Dollars. )

Elmer E. Robinson for San Francisco - Richmond Ferry Company;  
Maxwell McNutt and De Lancey C. Smith for O. R. Ludwig.

BY THE COMMISSION:

OPINION AND ORDER ON PETITION FOR REHEARING.

On the 18th day of July, 1925, the Commission filed its opinion and order in the above entitled matter. On the 19th day of August, 1925, the San Francisco - Richmond Ferry Company filed its application for a rehearing.

Although the opinion in the above matter sets forth quite fully the reasons for the order made therein, the Commission has since the filing of said application for rehearing given further and very careful consideration to the matter.

At the time of the first hearing upon this application, the Commission was doubtful as to the ability of the applicant to promote the enterprise for which the application was sought; and in order to be certain that the public service sought to be rendered would in fact be rendered and that the investors in the stock of the applicant would be fully protected, in the event that the applicant was not successful in promoting its finances, this Commission made an order

directing that all money received from subscriptions to stock should be impounded and not expended save upon approval of this Commission. This action of the Commission has been fully justified by subsequent events. It was the purpose of the Commission in making this order to retain jurisdiction of the funds so paid in by the stockholders in order that, should the enterprise prove a failure, the Commission would be in position to direct the return to the stockholders of the money that they had entrusted to the promoters of this enterprise. The Commission is of the opinion that the purpose of the Company was not fulfilled; that the Company has not gone forward and cannot go forward, and that the money subscribed by the stockholders, together with interest thereon, should be returned to them.

#### ORDER.

It is hereby ordered that Paragraph No. 13 in the Opinion, dated July 18, 1925, which reads as follows:

"That no debts incurred by the Ferry Company are a proper charge against the money impounded from the sale of stock except those heretofore authorized and ordered by the Commission."

be amended and changed to read as follows:

"That no debts incurred by the Ferry Company are a proper charge against the money impounded from the sale of stock, except those authorized and ordered by the Commission prior to the date of the filing of this Opinion and Order."

That the paragraph marked 14 of said Opinion, which reads as follows:

"That all of the moneys received from the sale of stock now deposited in Wells Fargo Bank and Union Trust

Company at San Francisco or elsewhere deposited are held in trust by said San Francisco - Richmond Ferry Company for its stockholders."

be amended and changed to read as follows:

"That all of the moneys received from the sale of stock now deposited in the Wells Fargo Bank and Union Trust Company at San Francisco, or elsewhere deposited, together with the accumulated interest thereon, are, in our opinion, held in trust by said San Francisco - Richmond Ferry Company for its stockholders."

That the paragraph in said Order reading as follows:

"IT IS HEREBY FURTHER ORDERED that on or before the 20th day of August, 1925, the San Francisco-Richmond Ferry Company file with this Commission a statement under oath setting forth the names of all the stockholders of said company, the address of each, the number of shares of capital stock owned or held by each and the total amount of money that each of said stockholders respectively has paid to the San Francisco - Richmond Ferry Company and when said sums were paid and the place where said money is deposited and the name of the person, firm, or corporation, in whose name said money is deposited and upon the filing of said statement by said San Francisco - Richmond Ferry Company the Commission will, by supplemental order authorize and direct that said San Francisco - Richmond Ferry Company pay and return to each and all of the stockholders of the San Francisco - Richmond Ferry Company such sum of money as shall by said supplemental order be determined by the Commission to be due to each of said stockholders."

be amended and changed to read as follows:

"IT IS HEREBY FURTHER ORDERED that on or before the 15th day of April, 1926, the San Francisco-Richmond Ferry Company file with this Commission a statement under oath setting forth the names of all the stockholders of said company, the address of each, the number of shares of capital stock owned or held by each and the total amount of money that each of said stockholders respectively has paid to the San Francisco - Richmond Ferry Company and when said sums were paid and the place where said money is deposited and the name of the person, firm, or corporation, in whose name said money is deposited and upon the filing of said statement by said San Francisco - Richmond Ferry Company the Commission will, by supplemental order authorize and direct that said San Francisco - Richmond Ferry Company pay and return to each and all of the stockholders of the San Francisco-Richmond

Ferry Company such sum of money as shall by  
said supplemental order be determined by the  
Commission to be due to each of said stockholders."

IT IS HEREBY FURTHER ORDERED that the application of  
San Francisco - Richmond Ferry Company for a rehearing  
herein be and the same is hereby denied.

Dated at San Francisco, California, this 19<sup>th</sup>  
day of March, 1926.

L. H. Brundage  
C. Leary  
Guaranteed

Commissioners.