

Decision No. 18479.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
STOCKTON WAREHOUSE COMPANY,)
a corporation, to issue 532 shares)
of its capital stock.)

Application No. 13765.

Natter, Hancock and Rutherford,
by John Hancock, for applicant.

BY THE COMMISSION:

O P I N I O N

Stockton Warehouse Company asks permission to issue 532 shares (\$53,200.00 per value) of common capital stock and assume the payment of \$48,250.00 of indebtedness for the purposes hereinafter referred to.

The company was organized on or about March 29, 1927, with an authorized capital stock of \$75,000.00 divided into 750 shares of \$100.00 each. Under its Articles of Incorporation the corporation may engage in a general warehouse business. It is of record that prior to the formation of applicant corporation, its incorporators, Arthur J. Salz, J. J. Sinai, R. C. Jeannelle, R. B. Haley and Carroll G. Grunsky, entered into a written agreement with the California Wharf and Warehouse Company to purchase from the California Wharf and Warehouse Company the following described

property:-

All of Block C, being that certain block bounded by Weber Avenue, Edison Street, Stockton Channel and Harrison Street, together with certain warehouse buildings situate thereon and all warehouse equipment contained therein.

A copy of the agreement, dated February 25, 1927, is filed in this proceeding as applicant's Exhibit "C". Under the agreement the purchasers are obligated to pay for the properties \$53,250.00 as follows:-

\$5,000.00 upon the execution of the agreement,
\$2,500.00 on or before January 1, 1928,
\$5,000.00 on or before January 1, 1929,
\$5,000.00 on or before January 1, 1930,
\$5,000.00 on or before January 1, 1931,
\$5,000.00 on or before January 1, 1932, and
\$25,750.00 on or before January 1, 1933.

The deferred payments bear interest at the rate of six percent per annum. The testimony shows that of the purchase price \$5,000.00 has been paid and that the agreement will be assigned to applicant corporation. Applicant asks permission to issue and deliver \$5,000.00 of stock to its incorporators who have advanced and paid the \$5,000.00 to which reference has been made. It further requests authority to issue to the incorporators additional stock in the amount of \$48,250.00 at par from time to time as additional payments are being made upon the property which the corporation intends to acquire. As payments become due the incorporators will advance to applicant the necessary funds and accept the company's stock in payment for such advances. The order herein will permit applicant to assume the payments (\$48,250.00) still due under the agreement.

ORDER

Stockton Warehouse Company having applied to the Railroad Commission for permission to issue \$53,200.00 of stock and assume indebtedness in the amount of \$48,250.00, a public hearing having been held before Examiner Fankhauser and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required by applicant and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that the Stockton Warehouse Company be, and it is hereby, authorized to issue on or before January 1, 1933, \$53,200.00 par value of its common capital stock and to assume the payment of the balance due(\$48,250.00) under the agreement referred to herein and filed in this proceeding as applicant's Exhibit "C", provided that of the stock herein authorized to be issued, \$5,000.00 may be delivered to applicant's incorporators because of the \$5,000.00 payment made under said agreement. The remainder of the stock shall be sold for cash at not less than par and the proceeds used to pay the \$48,250.00 of indebtedness which applicant is hereby authorized to assume.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Forty-nine (\$49.00) Dollars and that Stockton Warehouse Company

shall keep such record of the issue, sale and delivery of the stock herein authorized and of the disposition of the proceeds as will enable it to file on or before the 25th day of each month a verified report, as required by the Railroad Commission's General Order No. 24, which order insofar as applicable, is made a part of this order.

DATED at San Francisco, California, this 9th
day of June, 1927.

H. A. Rosendige
C. Seavey
Leon White

Commissioners.

Lee \$49⁰⁰/₁₀₀
RAILROAD COMMISSION
STATE OF CALIFORNIA
JUN 12 1927
H. C. Martin
Fee # 64117