

LBM

Decision No. 20242.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
SAN JOAQUIN COMPRESS AND WAREHOUSE )  
COMPANY, a corporation, for permis- )  
sion to issue additional capital )  
stock. )

Application No. 14840

Harvey and Heard, by T. M. Harvey,  
for applicant.

BY THE COMMISSION:

**ORIGINAL**

O P I N I O N

San Joaquin Compress and Warehouse Company asks permission to issue at par \$10,875.00 of its common capital stock to its stockholders to reimburse them for moneys advanced to the corporation.

Applicant was organized on or before July 12, 1924 for the purpose of constructing and operating a cotton compress and warehouse in Bakersfield. Heretofore the Commission has authorized the company to issue and sell at par \$110,000.00 of common stock and use the moneys to acquire properties necessary in the operation of a cotton compress and warehouse. Of the stock which the Commission has authorized to be issued, \$108,750.00 has actually been sold.

The testimony shows that applicant's investment in its properties on June 30, 1928 was \$146,054.78. The company has no bonded debt. Its current liabilities as of June 30, 1928 consisted of \$1,500.00 of notes payable, \$10,000.00 of miscellaneous accounts payable, and \$10,835.00 which is reported as being due to stockholders.

To pay for its properties applicant found it necessary to borrow \$20,000.00 from various banks. The bank loans were paid in part out of earnings and in part from moneys obtained from its stockholders under an assessment of ten dollars per share. It is of record that all the stockholders paid the assessment. Applicant in effect asks permission to reimburse its treasury in the amount of \$10,875.00 because of income used to pay indebtedness, which indebtedness was incurred to acquire and construct its properties. We believe that such request should be granted.

ORDER

San Joaquin Compress and Warehouse Company, having asked permission to issue \$10,875.00 par value of its common capital stock, a public hearing having been held before Examiner Fankhauser and the Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required by applicant and that the expenditures herein authorized are not in whole or in part chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that San Joaquin Compress and Warehouse Company be, and it is hereby, authorized to issue on or before November 30, 1928 at par, \$10,875.00 par value of its common capital stock, to reimburse its treasury because of income expended to pay indebtedness incurred to acquire and construct its properties, provided that after such reimbursement, the stock shall be distributed to its stockholders according to law.

IT IS HEREBY FURTHER ORDERED that San Joaquin Compress and Warehouse Company shall file a report, as required by the Com-

mission's General Order No. 24, which order insofar as applicable,  
is made a part of this order.

IT IS HEREBY FURTHER ORDERED that the authority herein  
granted shall become effective upon the date hereof.

DATED at San Francisco, California, this 21<sup>st</sup> day of  
September, 1928.

Leon Arkhiv  
Clarence  
Edmund  
Paul

Commissioners.