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Decision No. 20342.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
UNION PACIFIC STAGE COMPANY, )  
a corporation, organized under the )  
laws of the State of California, for ) Application No. 13610.  
authority to issue and sell certain )  
common stock. )

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER

The Railroad Commission by Decision No. 18337 dated May 9, 1927, among other things, authorized Union Pacific Stage Company, to issue and sell \$3,000.00 of its common capital stock at not less than par for the purpose of providing working capital.

The company now reports in its supplemental petition filed on October 10th that it has entered into an agreement with Los Angeles and Salt Lake Railroad Company dated October 1, 1927, whereby the Los Angeles and Salt Lake Railroad Company, which company owns all of its outstanding stock, has agreed to bear and to pay all expenses of whatsoever nature necessarily incurred by Union Pacific Stage Company in connection with or incidental to the operation of its business, and Union Pacific Stage Company has agreed to loan to Los Angeles and Salt Lake Railroad Company at the rate of six per cent per annum \$3,000.00 now in its treasury, which it received from the sale of stock. It alleges that on account of the provisions of the agreement referred to herein it will have no need for these moneys as working capital, and accordingly it asks the Commission to modify its former order so as to permit it to loan this sum to the railroad company.

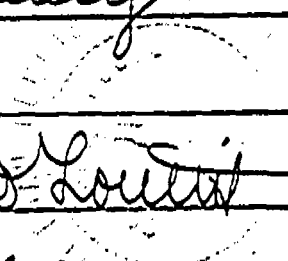
The Commission is also asked to approve the agreement. A copy of the agreement is filed with the supplemental petition. By its terms it will continue in effect for a period of three years and thereafter until terminated upon six months written notice by either party.

The Commission has given consideration to the company's request and believes it should be granted as herein provided, therefore,

IT IS HEREBY ORDERED that the order in Decision No. 18337 dated May 9, 1927 be, and it hereby is, modified so as to permit Union Pacific Stage Company to loan the \$3,000.00 obtained from the sale of the stock authorized by that decision, to Los Angeles and Salt Lake Railroad Company in accordance with the provisions of the agreement marked "Exhibit A" and attached to the supplemental petition filed in this proceeding on October 10, 1928, which agreement is hereby approved, provided the Commission reserves the right to order a modification of said agreement if, in its judgment, public convenience and necessity demand such action.

IT IS HEREBY FURTHER ORDERED that the order in Decision No. 18337 dated May 9, 1927 shall remain in full force and effect, except as modified by this First Supplemental Order.

DATED at San Francisco, California, this 18th day of October, 1928.

  
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*C. Sweeney*

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*Thos. D. Lovell*

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*W. J. Cline*

Commissioners.