

LBM

Decision No. 20505.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
THE WESTERN PACIFIC RAILROAD COMPANY,
a California corporation, for an or-
der of the Railroad Commission of the
State of California authorizing said
The Western Pacific Railroad Company
to issue and sell 8,000 additional
shares of its preferred capital stock
of the par value of \$100.00 each.)

ORIGINAL

Application No. 15164

F. M. Angellotti, for applicant.

BY THE COMMISSION:

O P I N I O N

The Railroad Commission is asked to make an order authorizing The Western Pacific Railroad Company to issue and sell 8,000 shares of its six percent preferred capital stock of the par value of \$100.00 each, and of the aggregate par value of \$800,000.00 for the full par value thereof, in cash.

The application shows that The Western Pacific Railroad Company is the owner of all the outstanding stock, except directors' qualifying shares, of Sacramento Northern Railway, and that Sacramento Northern Railway, on July 14, 1928, entered into an agreement of purchase and sale with San Francisco-Sacramento Railroad Company whereby it agreed to buy the lines of railroad and all other property of San Francisco-Sacramento Railroad Company, except its corporate franchise, for the sum of \$1,675,100.00. The transfer of the properties of San Francisco-Sacramento Railroad Company to Sacramento Northern Railway was approved by this Commission by Decision No. 20391, dated October 26, 1928, entered on Application No. 14923.

It is now reported that a cash expenditure by Sacramento Northern Railway of at least \$1,372,734.54 will be necessary to effect the purchase of the properties of San Francisco-Sacramento Railroad Company. It is proposed by The Western Pacific Railroad to provide this amount and it desires to use the proceeds to be received through the issue of the 8,000 shares of stock, as well as other funds, for this purpose.

It appears that the 8,000 shares of stock will be sold for cash at par to The Western Pacific Railroad Corporation, which now owns all of applicant's outstanding stock, except shares necessary to qualify directors.

O R D E R

The Western Pacific Railroad Company having applied to the Railroad Commission for permission to issue and sell \$800,000.00 of its preferred stock and the Railroad Commission being of the opinion that this is not a matter in which a public hearing is necessary, and that the money, property or labor to be procured or paid for through the issue of the stock is reasonably required for the purpose specified herein, which purpose is not in whole or in part reasonably chargeable to operating expense or to income,

IT IS HEREBY ORDERED that The Western Pacific Railroad Company be, and it hereby is, authorized to issue and sell, on or before June 30, 1929, for cash, at not less than par, 8,000 shares of its six percent preferred capital stock of the par value of \$100. each and of the aggregate par value of \$800,000.00 for the purpose set forth in the foregoing opinion.

The authority herein granted is subject to the following conditions;-

1. Applicant shall keep such record of the issue and sale of the stock authorized herein 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.

2. The authority herein granted will become effective upon the date hereof.

DATED at San Francisco, California, this 21st day of November, 1928.

Clarence

Francis W.

John S. Loretto

W. A. Carr

Commissioners.