

LBM

Decision No. 24889.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
HASLETT WAREHOUSE COMPANY,  
a corporation, for an order authoriz-  
ing it to issue 388 shares of its  
preferred stock to Lawrence Warehouse  
Company in payment for certain equip-  
ment and tangible personal property  
and to assume certain liability.

Application No. 18213

Williamson and Wallace, for applicant.

BY THE COMMISSION:

O P I N I O N

In this proceeding the Commission is asked to make its order authorizing Haslett Warehouse Company to assume the payment of a liability of \$416.50 and issue 388 shares (\$38,800.00 par value) of its five percent cumulative preferred stock to pay for the properties described in the bill of sale filed as Exhibit "A".

By Decision No. 24696 dated April 18, 1932, the Commission authorized Haslett Warehouse Company and Lawrence Warehouse Company to execute and enter into an agreement substantially in the same form as the agreement dated December 29, 1931 and filed in Application No. 17934 as Exhibit "A". By the terms of that agreement Lawrence Warehouse Company agreed to sell to Haslett Warehouse Company all equipment and personal property (excepting machinery and plant of the cold storage department in Alameda County, equipment and personal property in the Drumm Street Public Warehouse not now used in the public warehouse and

drayage business and permanent fixtures in buildings not removable by Lawrence Warehouse Company) now used by Lawrence Warehouse Company in the conduct of its public warehouse and drayage business in the Counties of San Francisco and Alameda. The Haslett Warehouse Company agreed to pay for the properties their appraised value thereof but in no event more than \$40,000.00. Under the agreement it was given the permission to pay the purchase price of the properties in five equal annual installments or to deliver to the Lawrence Warehouse Company in payment of the unpaid purchase price, five percent cumulative stock in par value equal to the unpaid purchase price. The agreement further provides that the preferred stock so issued shall constitute and remain the senior security issue of the Haslett Warehouse Company and is to be callable at par. The preferred stock shall have no voting power except in the event of the failure of the issuing company to pay dividends for seven consecutive quarterly annual periods, and then only during the continuance of such default.

The property which is being transferred consists of trucks, and other automotive equipment, warehouse equipment and furniture and <sup>office</sup> equipment. (An inventory of the property is filed as Exhibit "B" in Application No. 17934). The appraised value of the property is reported at \$39,278.50. There is due on one unit of automotive equipment, a Chevrolet truck, the sum of \$416.50 which Haslett Warehouse Company asks permission to assume. Deducting this indebtedness from the proposed value leaves a balance of \$38,862.00, which applicant proposes to pay through the issue of \$38,800.00 of its five percent cumulative stock.

#### ORDER

Haslett Warehouse Company having asked permission to assume the payment of indebtedness in the amount of \$416.50 and to issue \$38,800.00 par value of its five percent cumulative preferred stock,

the Commission having considered the request of applicant and being of the opinion that this is not a matter in which a public hearing is necessary, that the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required by Haslett Warehouse Company for the purpose herein stated, and that the expenditures for such purpose are not in whole or in part reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED, that Haslett Warehouse Company be, and it is hereby, authorized to assume the payment of \$416.50 due on a certain Chevrolet truck, referred to in this application, and to issue on or before August 1, 1932 at par, not exceeding \$38,800.00 par value of its five percent cumulative preferred stock, all for the purpose of paying for the properties described in Exhibit "A" filed in this proceeding.

IT IS HEREBY FURTHER ORDERED, that Haslett Warehouse Company shall keep such record of the issue 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.

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

DATED at San Francisco, California, this 17<sup>th</sup> day of June, 1932.

C. C. Seavey

M. A. Cunn

M. B. Harris

Commissioners