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Decision No. 10920.

BEFORE THE RAILROAD COMMISSION OF
THE STATE OF CALIFORNIA

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ORIGINAL

In the Matter of the Application of)
GRANGE WAREHOUSE AND STORAGE COMPANY)
for permission to issue stock and)
borrow money.)

Application No. 7969

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER

GRANGE WAREHOUSE AND STORAGE COMPANY has filed, in the above entitled matter, a supplemental petition wherein it asks permission to execute a deed of trust to secure the payment of \$125,000.00 of first mortgage 7 per cent. 15-year sinking fund gold bonds due August 1, 1937; issue and sell the bonds at 95 per cent. of their face value and accrued interest and use the proceeds to pay indebtedness of The Grange Company.

The Railroad Commission by Decision No. 10633, dated June 28, 1922, authorized the Grange Warehouse and Storage Company to issue \$240,000.00 of stock for the purpose of qualifying directors and acquiring the public utility properties of The Grange Company. The value of the properties was reported by applicant at \$415,823.52. Applicant has acquired the properties and has issued in part payment therefor stock in the amount of \$239,500.00. The Grange Company will hold this stock. It is of record that no change in the management of the warehouses will result from the transfer of the warehouse properties.

Prior to the transfer of the properties The Grange Company incurred indebtedness. To pay part of this debt, The Grange Company and the Grange Warehouse and Storage Company propose to issue \$125,000.00 of bonds, for which they are jointly and severally liable. The payment of the bonds will be secured by deed of trust covering

all the property now owned or hereafter acquired by the Grange Warehouse and Storage Company.

The Commission has considered applicant's request and believes that it should be granted as herein provided; therefore,

IT IS HEREBY ORDERED, that GRANGE WAREHOUSE AND STORAGE COMPANY be, and it is hereby authorized to execute a deed of trust substantially in the same form as the deed of trust filed in this proceeding and marked Exhibit "D", provided --

THAT the authority herein granted to execute such deed of trust is for the purpose of this proceeding only, and is granted in so far as this Commission has jurisdiction under the terms of the Public Utilities Act, and is not intended as an approval of said deed of trust as to such other legal requirements to which such deed of trust may be subject.

IT IS HEREBY FURTHER ORDERED, that GRANGE WAREHOUSE AND STORAGE COMPANY be, and it is hereby, authorized to issue and sell, on or before October 1, 1922, for cash, at not less than 95 per cent. of their face value and accrued interest, \$125,000.00 of first mortgage seven per cent. fifteen-year sinking fund gold bonds due August 1, 1937. and use the proceeds obtained from the sale of such bonds to pay indebtedness of The Grange Company reported in applicant's Exhibit "E", or for such other purposes as the Railroad Commission may authorize by a supplemental order or orders.

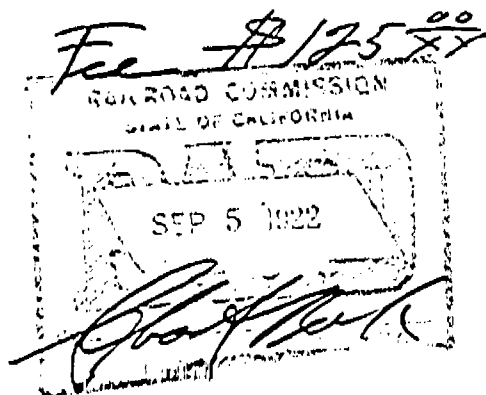
The authority herein granted is subject to further conditions as follows:

- 1.--The authority herein granted will not become effective until applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee amounts to \$125.00.

2.--Within thirty days after its execution, applicant shall file with the Railroad Commission a certified copy of the deed of trust securing the payment of the bonds herein authorized to be issued.

3.--Grange Warehouse and Storage Company shall keep such record of the issue and sale of the bonds 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 in so far as applicable is made a part of this order.

DATED at San Francisco, California, this 26th day of August, 1922.



H. B. Brundage
Erving Martin
Charles H. Howell

Commissioners.