

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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Decision No. 1990

In the matter of the Application	:	
of FRESNO INTERURBAN RAILWAY COMPANY	:	
for Authority to issue Stocks and	:	Application No. 1084.
Bonds.	:	
.....	:	

LOVELAND, Commissioner.

FOURTH SUPPLEMENTAL ORDER.

This Commission having heretofore authorized the applicant herein to issue \$110,000.00 of its ten year six per cent bonds and 580 shares of its capital stock of the par value of \$100.00 per share, or a total par value of \$58,000.00, for the purpose of constructing a line of electric railway between Fresno and Clovis, a distance of approximately nine miles; and the applicant herein in a supplemental application having now asked this Commission for authority to issue an additional 20 shares of its capital stock to be sold at \$80.00 per share and to issue also an additional \$14,700.00 of its ten year six per cent. bonds to be sold at 90 per cent of face value; and the applicant herein having stated that it proposed to use the proceeds from the sale of said 20 shares of stock and said \$14,700.00 of bonds for the purpose of paying engineering, administration, legal and contingent costs in the sum of \$10,600.00, and for the payment of the cost of equipment in the sum of \$4,230.00;

And it now appearing to this Commission that the applicant herein has purported to issue 100 shares of its capital stock of the par value of \$100.00 per share for purposes of incorporation for and in consideration of \$10.00 per share, and it ap-

pearing further to this Commission that said 100 shares of stock issued upon incorporation should have yielded to this applicant more than ten per cent. of the par value thereof; and it appearing further that if said 100 shares of stock had been sold on a basis of \$80.00 per share this applicant would have received an additional sum of \$7,000.00 for said 100 shares of stock; and it appearing further that the sum of \$7,000.00 would be ample to pay for applicant's intended equipment and applicant's engineering, administration, legal and contingent costs, insofar as these costs have been submitted to this Commission; and it appearing further that the purposes for which the applicant herein proposes to use the proceeds from the sale of the securities herein requested are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that FRESNO INTERURBAN RAILWAY COMPANY be granted authority and is hereby granted authority to issue 100 shares of its capital stock of the par value of \$100.00 per share.

The authority herein granted is granted upon the following conditions and not otherwise:

1. The stock herein authorized to be issued shall be issued to replace 100 shares of applicant's stock purported to have been issued for the purpose of incorporation at the price of \$10.00 per share.
2. The stock herein authorized to be issued shall be sold so as to net the applicant not less than \$80.00 per share.
3. The proceeds from the sale of the stock herein authorized to be issued shall be used by the applicant as follows:
 - (A): For the purchase of equipment,.....\$4,700.00.
 - (B): For the payment of engineering, administration, legal and contingent costs in such amount as may be available.
4. Fresno Interurban Railway Company shall keep separate, true and accurate accounts showing the receipt and application in detail

of the proceeds from the sale of the stock hereby authorized to be issued; and on or before the twenty-fifth day of each month the company shall make verified reports to the Commission stating the sale or sales of said stock during the preceding month, the terms and conditions of the sale, the moneys realized therefrom, and the use and application of such moneys, all in accordance with this Commission's General Order No. 24, which order, in so far as applicable, is made a part of this order.

5. Applicant herein shall report within thirty days after the stock herein authorized to be issued shall have been issued stating that the certificates of stock, in substitution for which this stock is authorized, have been called in and cancelled.
6. The \$10.00 per share heretofore paid on the 100 shares of stock issued upon incorporation shall be deemed to be part-payment upon the price herein fixed of \$80.00 per share.

The authority herein given is given as to such stock as shall have been issued on or before June 30, 1915.

Dated at San Francisco, California, this *8th* day of December, 1914.

H. H. ...
...
Edwin O. Edgerton

Commissioners