

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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ORIGINAL

In the matter of the application of  
San Jose Water Company and San Jose  
Water Works for an order authorizing  
the transfer of property and the is-  
sue of common stock and notes payable.

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) Application  
) No. 2176.  
)

BY THE COMMISSION.

First Supplemental Order.

WHEREAS, the Railroad Commission, on May 10, 1916,  
made its order herein authorized San Jose Water Company to trans-  
fer its properties to San Jose Water Works, and authorizing San  
Jose Water Works to issue 15,000 shares of its capital stock of  
the par value of \$100.00 per share, to execute its promissory  
note in the sum of \$25,000.00, to issue promissory notes in the  
sum of \$210,000.00 for the purpose of refunding promissory notes  
of San Jose Water Company, and to sell its capital stock at par  
in amounts sufficient to refund said \$210,000.00 of notes and said  
\$25,000.00 note; and

WHEREAS, said authorization was based upon certain con-  
ditions specified in said order, to-wit:

(a) That San Jose Water Works should agree by proper  
stipulation that neither it nor its successors or assigns should  
ever claim any value for the franchises to be transferred to it  
by San Jose Water Company;

(b) That San Jose Water Works should, by proper stipu-  
lation assume all of the liabilities and obligations of San Jose  
Water Company;

(c) That San Jose Water Works should report the name of the payee and the terms of its proposed note in the sum of \$25,000;

(d) That San Jose Water Works should file a statement of the notes it desires to refund and the terms and conditions of the notes which it desires to issue; and

(e) That San Jose Water Works should obtain from the Railroad Commission a supplemental order specifying the terms and conditions of its proposed issue of stock to refund said notes in the sum of \$210,000.00 and \$25,000.00; and,

WHEREAS San Jose Water Works has filed in proper form a stipulation agreeing that neither it, its successors nor assigns, will ever claim any value for the franchises to be transferred to it by San Jose Water Company,

The Railroad Commission of California hereby declares that such stipulation is in satisfactory form; and

WHEREAS San Jose Water Works has filed a stipulation that it will assume all the liabilities and obligations of San Jose Water Company,

The Railroad Commission of California hereby declares that such stipulation is in satisfactory form; and

WHEREAS San Jose Water Works has reported to the Railroad Commission that it proposes in lieu of one note of \$25,000.00 heretofore authorized to be issued, to execute and issue four notes in the sum of \$6,250.00 each, to mature at various dates, but not later than November 8, 1916, said notes to carry interest at the rate of 6 per cent per annum,

IT IS HEREBY ORDERED that San Jose Water Works be and it is hereby granted authority to issue four promissory notes to the First National Bank of San Jose, said notes to mature not

later than December 31, 1916, and to bear interest at the rate of 5 per cent per annum.

IT IS FURTHER ORDERED that the authority herein given to issue said four notes in the sum of \$6,250.00 each shall be in lieu of the authority heretofore given to issue one note in the total sum of \$25,000.00; and

*Works* - WHEREAS San Jose Water Works has notified the Railroad Commission that it proposes to assume all of the liabilities and obligations of San Jose Water Company,

IT IS HEREBY ORDERED that San Jose Water Works be and it is hereby granted authority to issue \$210,000.00 of its promissory notes, said notes to mature not later than three years from date and to bear interest not to exceed 6 per cent per annum, to be issued to refund a like amount of notes of San Jose Water Works.

IT IS FURTHER ORDERED that San Jose Water Works be and it is hereby granted authority to issue 2,350 shares of its capital stock of the par value of \$100 per share, said stock to be issued at par for the purpose of refunding the \$235,000.00 of promissory notes herein authorized to be issued.

IT IS FURTHER ORDERED that the authority herein granted to issue 2,350 shares of stock shall apply to such stock as shall have been issued on or before June 30, 1917.

IT IS FURTHER ORDERED that San Jose Water Works shall keep separate, true and accurate account of the sale or issue of stock and notes herein authorized to be issued, and on or before the twenty-fifth day of each month the company shall make a verified report to the Railroad Commission stating the sale or sales of said stock or notes and the property acquired in consideration of such sale or sales, all in accordance with the Railroad Commission's General Order No. 24, which order, in

IT IS FURTHER ORDERED that all of the conditions specified in this Commission's Decision No. 3320 herein shall remain in full force and effect in so far as they are not in conflict with the order herein.

Dated at San Francisco, California, this 26th day  
of May, 1916.

RECEIVED  
MAY 27 1916  
BY *J. M. Mahuron*  
ASSISTANT SECRETARY

Max. Thelen  
H. H. H. H. H.  
H. H. H. H. H.  
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Frank R. Berlin  
Commissioners.