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Decision No. 5946.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF
THE STATE OF CALIFORNIA.

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In the Matter of the Application of)
PALO VERDE WAREHOUSE AND STORAGE)
COMPANY, a corporation, for an order)
authorizing the issue of stock.)

Application
Number
4186.

BY THE COMMISSION:

O P I N I O N.

PALO VERDE WAREHOUSE AND STORAGE COMPANY in this application asks authority to issue at par \$1,500 of its common capital stock.

A hearing was held before Examiner Westover in San Francisco on November 15.

Palo Verde Warehouse and Storage Company was incorporated on or about October 17, 1918, with an authorized capital stock of \$10,000, divided into 1000 shares of the par value of \$10. each. It intends to engage in the business of storing cotton. Mr. J.F. Henry and Mr. A.F. Masterman, who are the principal subscribers to the stock, have leased at a rental of \$325., paid in advance, three acres of land in the city of Blythe. This land is to be used as storage yards. The leases will be assigned to the corporation provided the Railroad Commission authorizes the applicant to issue the stock applied for. One of the leases terminates March 15, 1920 and the other April 1, 1920. As rent is an operating cost, for which stock should not be issued, applicant during

the term of these leases should amortize out of earnings the amount thereof, by paying into a special fund to be held as a reserve an amount equivalent to the rent/ ^{prepaid.} The other purposes for which the company desires to issue stock appear in the order herein.

O R D E R.

PALO VERDE WAREHOUSE AND STORAGE COMPANY having applied to the Railroad Commission for authority to issue at par \$1,500 of its common capital stock and a hearing having been held,

IT IS HEREBY ORDERED that PALO VERDE WAREHOUSE AND STORAGE COMPANY be, and it is hereby, granted authority to issue at not less than par \$1,500 of its common capital stock, upon the following conditions and not otherwise:

(1).-- The proceeds from the sale of the stock shall be used for the following purposes:

To purchase fencing material approximately,...	\$500.00
To purchase cotton yard scale approximately,...	75.00
To purchase stationary, tags, receipts and office supplies approximately, ..	100.00
To pay for leases referred to in the petition herein,.....	325.00
To construct and equip an office building approximately,.....	500.00

(2).-- Before any portion of this order may become effective, Palo Verde Warehouse and Storage Company shall submit to the Commission for approval a plan under which it will amortize out of earnings the rental upon the leases referred to herein.

(3).-- Applicant shall keep true and accurate accounts showing the receipt and application in detail of the proceeds of the stock herein authorized to be issued, and on or before the twenty-fifth day of each month the company shall make verified reports to the Commission in accordance with General Order Number 24, which order, in so far as applicable, is made a part of this order.

(4).-- The authority herein granted to issue stock shall apply only to such stock as may be issued within 90 days after the date hereof.

Dated at San Francisco, California, this 19th
day of November, 1918.

Edwin O. Edgerly
H. D. Leonard
W. E. G. ...
Frank ...

Commissioners.