

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application )	
of the Delano-Linns Valley Tele- )	
phone Company for an order )	Application No. 673
authorizing it to issue stocks )	

Ben Thomas for the Delano-Linns Valley Telephone Company.

GORDON, Commissioner.

O P I N I O N

This is an application involving the authorization of the Commission for an issue of certain stock in lieu of a previous issue of stock made since March 23, 1912, without the authority of the Commission.

Evidence introduced at the hearing developed that on various dates since the Public Utilities Act became effective ten shares of common stock were issued and sold at their par value of \$25.00 per share in violation of the law; that the issue was made in ignorance of the provisions of the Public Utilities Act, and that the entire amount of cash realized from the sales was used in making betterments and additions to the applicant's system. On this showing the following order is recommended.

O R D E R

Application having been made to this Commission by the Delano-Linns Valley Telephone Company for an order authorizing it to issue ten shares of its common stock of a par value of \$25.00 per share each, in lieu of the said equal number of shares heretofore issued without the approval of

this Commission in ignorance of the provisions of the Public Utilities Act, the full amount of money received from the sales of said ten shares heretofore issued having already been used for additions and betterments to the applicant's telephone plant, and a hearing having been held and it appearing that the purposes for which the money was received from the sales of said ten shares of stock were not in whole or in part reasonably chargeable to operating expenses or to income; and it appearing further that the applicant received not less than 100% of the par value thereof for said stock.

IT IS HEREBY ORDERED that the Delano-Linns Valley Telephone Company be and it hereby is granted authority to issue ten shares of its common stock upon the following conditions, and not otherwise:

1. Said stock herein authorized shall be issued to the following persons in substitution for an equal number of shares shown to have been issued on December 21, 1912; January 27, 1913, April 12, 1913, March 26, 1913, May 7, 1913, as follows:

Four shares to Walter J. Wallace on December 21, 1912.

Two shares to F. A. Rutledge on January 27, 1913.

One share to S. L. Cole on April 12, 1913.

One share to L. L. Miller on March 26, 1913.

Two shares to Henry Hamline Hall on May 7, 1913.

2. The company shall report to the Commission the fact and the date of such issue.

3. Before said stock shall be issued the certificates of stock, in lieu of which said stock is hereby authorized to be issued, shall be called in by applicant and cancelled.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 19<sup>th</sup> day of  
August, 1913.

H. S. Lovland  
Alex Gordon  
Max Thelen

Commissioners.