

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of Southern Pacific Company for the approval of a lease of Railroad Equipment, dated March 1, 1913, from Commercial Trust Company to Southern Pacific Company, and an agreement dated March 1, 1913, between Harry E. Richter and Wm. L. Fry with Commercial Trust Company and Southern Pacific Company and for an order authorizing the issuance of Trust Certificates as provided in said lease and agreement.

Application No. 484.

Guy V. Shoup and Henley C. Booth for applicant.

BY THE COMMISSION.

SECOND SUPPLEMENTAL ORDER.

Southern Pacific Company having filed with this Commission a second supplemental application stating that since this Commission's order of May 9, 1913, in the above entitled proceeding, Series A, Equipment Trust Certificates in the amount of \$5,000,000.00 have been sold on terms a little better than those permitted in this Commission's supplemental order dated May 9, 1913, in the above entitled proceeding, and that there remain unsold Equipment Trust Certificates of the par value of \$5,120,000.00, the sale of which is necessary to pay for equipment under contract, the delivery whereof is now due, but that the condition of the money market is such that the Southern Pacific Company will probably be unable to market the remaining certificates on terms as advantageous as those heretofore secured, and that market conditions are changing so that it will be necessary to have an additional margin of 2% for discounts and commissions authorized by this Commission, so that market conditions may be met; and the Commission being of the opinion that no further hearing is necessary in this matter and that the second supplemental

application has been made in good faith and should be granted,

IT IS HEREBY ORDERED that the Southern Pacific Company, in order to enable it to obtain subscriptions for said Equipment Trust Certificates, be and the same is hereby authorized to pay discounts and commissions not to exceed six (6%) per cent on the basis of the average maturities of the face amount of said Equipment Trust Certificates not heretofore sold.

Dated at San Francisco, California, this 21st day of August, 1913.

W. L. Gilman  
W. L. Gilman  
Max Thelen  
Commissioners.