

Decision No. 28739

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
CALIFORNIA WATER & TELEPHONE COMPANY)
for: (1) Order authorizing purchase)
of stocks of public utility corpora-)
tions; (2) Order authorizing acquisi-)
tion of certain public utilities pro-)
perties; (3) Order authorizing mortgage)
of public utility and other properties;)
(4) Order authorizing issue and sale)
of bonds and stock, and the application)
of CORONADO WATER COMPANY, SAN GABRIEL)
VALLEY WATER COMPANY, THE MONTEREY)
COUNTY WATER WORKS, SAN FERNANDO TELE-)
PHONE & TELEGRAPH COMPANY, SOUTHWESTERN)
HOME TELEPHONE COMPANY, SIERRA MADRE)
TELEPHONE & TELEGRAPH COMPANY, MON-)
ROVIA TELEPHONE & TELEGRAPH COMPANY,)
for: (1) Order authorizing the sale of)
certain public utility properties; and)
(2) Order authorizing said companies)
to discontinue public utility opera-)
tions.)

Application No. 20127

ORIGINAL

BY THE COMMISSION:

FOURTH SUPPLEMENTAL ORDER

The Railroad Commission by Decision No. 28306, dated October 28, 1935, authorized California Water & Telephone Company, among other things, to issue 72,000 shares of its 6% preferred stock of the par value of \$25. a share and of the total par value of \$1,800,000., to pay in part the cost of acquiring water and telephone plants and properties.

The company's Articles of Incorporation, at the time the Commission made its former order, provided, among other things, that the preferred stock, at the option of the board of directors, might be redeemed in whole or in part at \$26.50 a share, together with unpaid dividends. The company now reports, in a supplemental petition filed in the above entitled matter on April 15, 1936, that in order to make its preferred stock more marketable and to facilitate future financing, it desires to amend its articles so that the preferences of

the preferred stock will be changed as follows:- The price at which the said 6% preferred stock of applicant may be redeemed shall be changed from \$26.50, together with the unpaid dividends accrued thereon whether earned or declared, or not, to \$27.50 per share; together with the unpaid dividends accrued thereon whether earned or declared, or not; the amount to be paid to the holders of the preferred stock in event of a voluntary dissolution shall be changed from \$26.50 per share, together with the unpaid dividends accrued or declared, or not, to \$27.50 per share, together with the unpaid dividends accrued thereon whether earned or declared, or not; there shall be added to said preferences a provision that no shares of stock having rights which shall have priority over the rights of the then holders of said 6% preferred stock as to dividends or in liquidation, dissolution or winding up, may be issued without the vote or written consent of two-thirds in par value of the holders of the 6% preferred stock; that said 6% preferred stock shall be known as the "6% cumulative preferred stock, par \$25., of California Water & Telephone Company."

A statement of said preferences of the preferred stock appears as Exhibit "A" to said supplemental petition.

The company accordingly has requested the Commission to make its order authorizing the changes in the terms of the preferred stock.

The Commission has considered the request and is of the opinion that it should be granted, therefore,

IT IS HEREBY ORDERED that the order in Decision No. 28306, dated October 28, 1935, as amended, be and it hereby is modified so as to permit California Water & Telephone Company to make the changes in and additions to the preferences of its 6% cumulative preferred stock, par \$25., referred to herein and described in Exhibit "A" attached to its

supplemental petition in this matter, filed on April 15, 1936.

DATED at San Francisco, California, this 20th day of
April, 1936.

W B Davis
Leon Whidely
W A C...
Walter...
Frank...
Commissioners.