

Decision No. 32790

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CALIFORNIA-OREGON TELEPHONE CO. for an order authorizing the issue of \$20,000, face amount, of its first mortgage bonds.

ORIGINAL

Application No. 22899

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER

The Commission by its order in Decision No. 32790, dated February 6, 1940, authorized California-Oregon Telephone Co. to issue \$18,000, face amount, of its first mortgage serial 5% bonds, subject, among others, to the condition that said authority would not become effective until the Commission has authorized said California-Oregon Telephone Co. to execute an indenture to secure the payment of the bonds.

On February 23, 1940, applicant filed with the Commission a revised copy of its proposed indenture. We have reviewed the same and find it to be in satisfactory form provided it be amended by including therein as Section 12, Article III, *117M* the following:

The company will keep proper books of record and account in accordance with the system of accounts prescribed by the Railroad Commission of the State of California, or in the absence of such a system of accounts, in accordance with sound accounting practice, in which books of record and account, full, true and correct entries shall be made of all dealings or transactions of or in relation to the plant, properties, business, and affairs of the company.

IT IS HEREBY ORDERED that California-Oregon Telephone Co. be, and it is hereby, authorized to execute an indenture in substantially the same form as the indenture filed with the Commission on February 23, 1940, provided said indenture be amended as hereinbefore indicated, and provided further, that the authority herein granted to execute said indenture is for the purpose of this proceeding only, and is granted insofar as the Commission has jurisdiction under the terms of the Public Utilities Act, and is not intended as an approval of said indenture as to such other legal requirements to which said indenture may be subject.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the execution of said indenture California-Oregon Telephone Co. shall file with the Railroad Commission a certified copy of said indenture as executed.

Dated at San Francisco, California, this 27<sup>th</sup> day of March, 1940.

Ray L. Rice  
Frank D. Smith  
Raymond Babington  
J. H. Allen  
Justus J. Coenen  
Commissioners.