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Decision No. 42962

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of FREEZE-IT CORPORATION for an
Order Authorizing Issue of Stocks

Application
No. 30275
(Second Supplemental)

FIRST SUPPLEMENTAL ORDER

In its Second Supplemental Application, Freeze-It Corporation asks permission to issue and sell for the purposes hereinafter stated 1,350 shares of its Class A stock and 100 shares of its Class B stock, each class of stock having a par value of \$100 per share.

The dividends on the Class A stock are cumulative at the rate of 6% per annum on the par value thereof.

Applicant proposes to issue and deliver 350 shares of said Class A shares of stock to Dr. Edward Robbins in consideration of the cancellation by him of Applicant's indebtedness to him in the amount of \$35,000. Applicant used the \$35,000 in the construction of its cold storage warehouse properties.

Applicant intends to undertake, through its own organization, the sale of 1,000 shares of said Class A stock and 100 shares of said Class B stock in units of 10 shares of Class A stock and one share of Class B stock for a total consideration of ✓\$1,100 per unit. It will use the proceeds obtained from the issue and sale of said 1,100 shares of stock for the following purposes:

(a) For completion of the buildings, including existing obligations relating to the construction:

1. Payment to the insurance company necessary to secure deposit of \$550,000.00 in escrow to be applied on the first two monthly payments of	\$ 8,250.00
2. Payable to David Livingston, attorney for the insurance company, approximately	2,500.00
3. California Bank balance of escrow charges	350.00
4. Walter G. Danielson, balance of attorney's fees in reference to construction contract and escrow	1,500.00
5. Painting of building	1,500.00
6. Installations of cabinets and partitions	500.00
7. Asphalt tile for office	360.00
8. Installation of safety lights, electrical wiring	400.00
9. Paving	<u>1,000.00</u>
Total	\$16,360.00

(b) Machinery and equipment required in connection with the new building and the offices thereof:

✓ 1. One fork lift truck	\$ 6,000.00
2. Three hand trucks @ \$400.00	1,200.00
3. 1000 pallets @ \$3.00	3,000.00
4. Office equipment and furniture, filing cabinets and time clocks	4,000.00
5. Steel cabinets, small powered tools and machines required for engine room	2,000.00

6. Fire extinguisher, gas masks	\$ 500.00
7. Eight thermometers @ \$150.00	1,200.00
8. Sign for building	1,000.00
9. Two platform scales	3,000.00
10. Printing records and forms	500.00
11. Telephone service installation	190.00
12. Miscellaneous	<u>2,000.00</u>
Total	\$24,490.00

(c) Balance about \$79,150 to maintain and improve its service and pay monthly installments on its loan from Massachusetts Mutual Life Insurance Company.

Applicant does not propose to pay any commission in connection with the issue and sale of said shares of stock.

The Commission has considered Applicant's second supplemental application and is of the opinion that the money, property or labor to be procured or paid for by the issue of 1,350 shares of its Class A stock and 100 shares of its Class B stock is reasonably required by Freeze-It Corporation for the purposes herein stated which purposes are not, in whole or in part, reasonably chargeable to operating expenses or income, and that Applicant's second supplemental application should be granted, therefore,

IT IS HEREBY ORDERED as follows:

1. Freeze-It Corporation may issue and sell, after the effective date hereof and on or before December 31, 1949 to Dr. Edward Robbins 350 shares of its Class A stock in consideration of the cancellation by him of Applicant's indebtedness to him in the amount of \$35,000.

2. Freeze-It Corporation may issue and sell, after the effective date hereof and on or before December 31, 1949, at not less than their par value, not exceeding 1,000 shares of its Class A stock and not exceeding 100 shares of its Class B stock, and use the proceeds for the purposes heretofore stated.

3. The authority herein granted will become effective when Freeze-It Corporation has filed with the Commission a certified copy of an Amendment to the Articles of Incorporation in, or substantially in, the form attached to Applicant's First supplemental application.

4. Freeze-It Corporation shall file with the Commission monthly reports showing the number of shares of stock issued and sold under the authority herein granted, the names of persons to whom such shares of stock were issued and sold, the consideration received therefor, and the purposes for which it expended said stock proceeds, such reports to be filed within thirty days after the close of the month covered by the report.

Dated at San Francisco, California this 7th day of June, 1949.

A. Z. Dwyer

Robert H. Hill

Harold P. Hill

Kenneth Patten
Commissioners