A.46252 MON ORIGINAL 67004 Decision No. BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA In the matter of the Application of Francis K. Silva, Edward C. Silva, Lawrence Souza and Norman Souza -Co-partners, doing business as S. AND S. WAREHOUSE COMPANY, to Sell and S. AND S. WAREHOUSE Application No. 46252 COMPANY INC., a corporation, to Filed March 3, 1964 Purchase, ownership and prescriptive operating rights to public warehouses at East Nicolaus, California, and the Application of S. AND S. WAREHOUSE COMPANY INC. to issue stock and refinance long term note. <u>opinion</u> This is an application for an order of the Commission (1) authorizing Francis K. Silva, Edward C. Silva, Lawrence Souza and Norman Souza, copartners, doing business as S. and S. Warehouse Company, to sell and transfer a warehouse operative right and related assets to S. and S. Warehouse Company Inc., and (2) authorizing S. and S. Warehouse Company Inc., in acquiring said right and related assets and refinancing certain indebtedness, to issue \$40,000 par value of its capital stock and a \$67,800 note, and to execute a deed of trust and a mortgage of chattels. The transferors are engaged as public utility warehousemen pursuant to a prescriptive operative right for the operation of 17,800 square feet of storage or warehouse floor space at East Nicolaus, exclusive of the expansion permissible - 1 -

stated in Decision No. 64729, dated January 2, 1963, in Application No. 44912. In addition to conducting a public utility warehouse business, the partnership is engaged also in nonutility operations related to the handling of agricultural commodities. The application shows that the copartners desire to carry on their operations under a corporate form of organization, and they propose to sell and transfer their operative right and related properties to S. and S. Warehouse Company Inc.

S. and S. Warehouse Company Inc., a California corporation organized on or about October 7, 1963, proposes to purchase said operative right and related assets, subject to certain liabilities, and to issue common stock having an aggregate par value of \$40,000 in payment therefor. The corporation also seeks authority to issue an installment note in the principal amount of \$67,800 in order to obtain funds for refinancing an outstanding \$48,468.12 of previously authorized long-term indebtedness, and for reducing a short-term indebtedness incurred for the construction of additional drying facilities. Said \$67,800 note will be repayable over a period of ten years, in equal annual installments of principal amounting to \$6,780, together with interest at 6% per annum on the unpaid balance. The indebtedness evidenced by the note will be secured by a deed of trust and a mortgage of chattels.

- 2 -

A.46252 MON 2. S. and S. Warehouse Company Inc., on or before July 31, 1964, for the purposes specified in this proceeding, may execute a deed of trust and a mortgage of chattels, and may issue not to exceed \$40,000 par value of its capital stock and a note in the principal amount of not to exceed \$67,800, said deed of trust, mortgage of chattels and note to be in the same form, or in substantially the same form, as those attached to the application. 3. Within thirty days after the consummation of the transfer herein authorized, S. and S. Warehouse Company Inc. shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer. 4. S. and S. Warehouse Company Inc. shall amend or reissue the tariffs on file with the Commission, naming rates, rules and regulations governing the warehouse operations herein to show that it has adopted or established, as its own, said rates, rules and regulations. The tariff filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the consummation of the transfer herein authorized. The tariff filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 61-A.

8. This order shall become effective when S. and S. Warehouse Company Inc. has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

Dated at San Francisco, California, this 3/4 day of _______, 1964.

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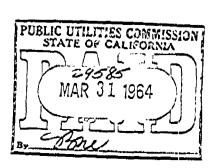
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Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.



S. and S. Warehouse Company Inc. (a corporation)

S. and S. Warehouse Company Inc., a corporation, possesses a prescriptive operative right as a public utility warehouseman for the operation of storage or warehouse floor space as follows:

Location

East Nicolaus

No. of Square Feet of Floor Space

17,800

(The floor space shown above is exclusive of the expansion permissible under Section 1051 of the Public Utilities Code.)

End of Appendix A

Issued by California Public Utilities Commission. Decision No. 67004, Application No. 46252.