

**FILED**

SEP 12 2011

Missouri Public  
Service Commission

vs.

Case No.

Company Name: Laclede Gas and Water Electric  
Respondent

Complainant resides at P.O. Box 203 Jefferson City mo 65102  
(address of complainant)

2. As the basis of this complaint, Complainant states the following facts:

Attach Document from EnFormsl Complaint.

3. The Complainant has taken the following steps to present this complaint to the Respondent:

Bring my scope

WHEREFORE, Complainant now requests the following relief:

Bonds stock Shares and trust Compensation inform of PAYments Current Value

9-12-11  
Date

Myron Welles  
Signature of Complainant

Complainant's Phone Number

Complainant's E-mail Address

Attach additional pages, as necessary.  
Attach copies of any supporting documentation.

RECEIVED

AUG 30 2011

8-30-11

CUSTOMER SERVICES  
PUBLIC SERVICE COMMISSION

First Boston Corporation was directly connected with Laclede gas company. Thru First Corp and the Cable Company, in which was owned by I P C Information Systems, Inc. which is a direct violation because the under and the company should not be connected. Union electric and under written Irving trust company was directly connected with I P C Information System Inc. The companies involved with Bond, shares, Stock takeover and reissuing. The under written also purchase shares and stocks. Order Dated in 1968 stating reimbursements should take place a certain way were over looked. The rules made five years prior to the date of filing the applications in case # 17,177 also case # 17,125. First Boston Corp Apologize for the late reporting of some changes between March of 1971 Thru July 21, 1971. Also March 25 1971 First Boston Corporation becomes a member corporation of the New York Stock Exchange Inc. Shortly after changes Laclede gas company and union electric, shares and stock, bonds are sold public.

Question Who Authorized Laclede gas, union electric to change from a private to a public companies as well First Boston Corporation to be change. "There had to be a will or trust involved."

P.S. Ownership need to be establish.

RECEIVED<sup>2</sup>

AUG 30 2011

Records  
Public Service Commission

ComplaintForm.Pdoc (5/1/09)

26867



THE FIRST OF BOSTON CORPORATION

67 Milk Street  
BOSTON

April  
Seventh  
1933

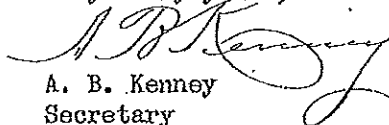
Honorable Secretary of State  
Jefferson City  
MISSOURI

Sir:

We advise that the building in which our  
Kansas City Office is located has changed ownership  
and has been re-named. The present address, there-  
fore, is as follows -

Insurance Exchange Building  
21 West 10th Street  
Kansas City, Missouri.

Very truly yours,

  
A. B. Kenney  
Secretary

The Commonwealth of Massachusetts  
DEPARTMENT OF CORPORATIONS AND TAXATION  
HENRY F. LONG, COMMISSIONER  
237 STATE HOUSE, BOSTON

ARTICLES OF AMENDMENT.

For filing and recording a certificate providing for a change of shares with par value to shares without par value, whether or not the capital is changed thereby, one cent for each share without par value resulting from such change, less an amount equal to one twentieth of one per cent of the total par value of the shares so changed; but not in any case less than twenty-five dollars. The fee for all other amendments is ten dollars. Make checks payable to The Commonwealth of Massachusetts. This certificate must be submitted to the Commissioner of Corporations and Taxation within thirty days after the date of the vote of the stockholders. (Section 43, Chapter 156, General Laws.)

WE, A. M. Pope President, A. A. Gerade Treasurer,  
and A. C. Turner, E. I. Cowell, Nevil Ford and W. H. Potter, Jr.,  
and A. M. Pope

being a majority of the Directors of

The First Boston Corporation

located at 1 Federal Street, Boston, Massachusetts

in compliance with the provisions of Chapter 156 of the General Laws as amended,  
do hereby certify that at a meeting of the stockholders of the corporation, duly called  
for the purpose, held May 16, 1924, and by the affirmative vote of  
~~shares of the preferred stock and of~~ 500,000 shares of the common  
stock of the corporation, ~~being at least~~

~~of~~ all the stock outstanding and entitled to vote, the following amendment or altera-  
tion in the agreement of association and articles of organization of the corporation  
was duly adopted, namely:

VOTED: To amend the Agreement of Association and the Articles  
of Organization by removing all restrictions imposed upon the trans-  
fer of shares of capital stock appearing therein.



THE FIRST BOSTON CORPORATION

CABLE ADDRESS  
FIRSTCORP, NEW YORK

20 EXCHANGE PLACE  
NEW YORK, N.Y. 10005

December 22, 1967

Secretary of State  
Jefferson City  
Missouri

*F-6867 file in folder*

Dear Sirs:

Please be advised that at a meeting of the Board of Directors of The First Boston Corporation held on November 15, 1967, Mr. Thomas L. Cassidy, Vice President, Underwriting, and Mr. James N. Land, Jr., Vice President, Underwriting, were elected Directors of the Corporation.

Sincerely yours,

*Roderick J. Kirkpatrick*

Roderick J. Kirkpatrick  
Secretary

dz

212-4475  
487



THE FIRST BOSTON CORPORATION

RODERICK J. KIRKPATRICK  
VICE PRESIDENT AND  
SECRETARY

20 EXCHANGE PLACE  
NEW YORK, N.Y. 10005

August 10, 1971

RECEIVED

AUG 17 1971

Secretary of State  
Jefferson City  
Missouri

F-6867

Dear Sirs:

*Roderick J. Kirkpatrick*  
Corporation Dept. SECRETARY OF STATE

Please be advised of the following changes in the Officers and Directors of The First Boston Corporation:

1. Mr. Robert W. Wadds was elected a Vice President, Underwriting, on September 16, 1970.
2. Mr. George L. Perin retired as a Vice President on November 1, 1970.
3. Messrs. John S. Buckley and N. Gregory Doescher were elevated from Vice President to Senior Vice President and member of the Executive Committee on November 18, 1970.
4. Mr. James C. Morrison retired as Senior Vice President and member of the Executive Committee, effective December 1, 1970. He remains a Director.
5. Mr. Robert B. Calhoun, Jr. was elected a Vice President, Underwriting, on December 16, 1970.
6. Mr. Thomas J. Johnson retired as a Vice President on January 1, 1971.
7. Mr. Paul K. Kelly was elected a Vice President, Government Securities, on January 20, 1971.
8. Mr. H. Bruce Palmer was elected a Director January 20, 1971.
9. Mr. Philip W. Moore resigned as a Vice President, effective January 29, 1971.
10. Mr. Charles C. Glavin who was Chairman of the Executive Committee and a Director died on January 30, 1971.
11. On February 17, 1971, Messrs. Albert W. Chapple, Walter P. MacLeod and Louis S. Marohnic were elected Vice Presidents, Corporate Research, Data Processing and Government Securities, respectively. Mr. Matthew J. Madden who is our Treasurer was given the additional title of Vice President.



78 485-6027



THE FIRST BOSTON CORPORATION  
MEMBER NEW YORK STOCK EXCHANGE, INC.

CABLE ADDRESS  
FIRSTCORP, NEW YORK

March 28, 1972

NEW YORK  
City Council  
250 Broadway  
(212) 788-7100

20 EXCHANGE PLACE  
NEW YORK, N.Y. 10005  
RECEIVED

APR 3 1972

Secretary of State  
Jefferson City  
Missouri

Dear Sirs:

*Roderick J. Kirkpatrick*  
Corporation Dept. SECRETARY OF STATE

Please be advised of the following changes in the Officers  
and Directors of The First Boston Corporation: F-6867

1. The election of the following individuals to the office of  
Vice President:

John R. Allen	William E. Mayer
William W. Bartlett	Louis E. Minugh
C. Ross Bradfield	Arthur J. Nagle
Frank Bulkley, III	Paul F. Naughton
John L. Church	Paul R. Rohlfing
Christopher T. Emmet	William H. Ruskaup
Robert A. King	Vincent G. Russo
Richard J. Kohlbrecher	Henry G. Schumacher
Donald D. Kummerfeld	

2. The resignation of Mr. Warren K. McOmber as a Vice President  
and the resignation of Mr. J. Howard Laeri, Jr. as a Vice  
President and Director.
3. The resignation of Mr. William S. Paley as a Director.
4. The election of Mr. J. Howard Laeri as a Director.
5. The retirement of Messrs. John S. Malick, Wilbur M. Merritt  
and Lewis J. Wood as Vice Presidents.
6. The opening of a branch office at Atlantic Richfield Plaza,  
Kaiser Tower, 515 South Flower Street, Los Angeles,  
California 90071.

Sincerely yours,

*Roderick J. Kirkpatrick*

Roderick J. Kirkpatrick  
Vice President and Secretary

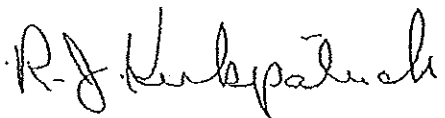
dz

212 769-3501

12. On March 17, 1971, Mr. Andrew N. Overby was elected Chairman of the Executive Committee and he will remain Vice Chairman of the Board.
13. On March 17, 1971, Messrs. David G. Bunting and Robert McP. Greer were elected Vice Presidents, Government Securities, and Mr. Richard J. Sweeney was elected Vice President, National Sales.
14. Effective March 26, 1971, Messrs. Nicholas H. Bayard and William K. Rahner resigned as Vice Presidents.
15. Effective April 1, 1971, Mr. Dennis H. McCarthy retired as Vice President. Pursuant to our Director Retirement Policy, Mr. McCarthy did not stand for reelection as a Director at our Annual Meeting on April 21, 1971.
16. Messrs. Harry M. Addinsell and James H. Orr did not stand for reelection as Directors at our Annual Meeting.
17. On April 22, 1971, Mr. William D. Folland was elected Vice President, Government Securities.
18. Mr. Grant S. Barker resigned as Vice President, effective May 14, 1971.
19. Mr. Lewis R. Bulkley retired as a Vice President on June 1, 1971.
20. On June 16, 1971, Mr. Ralph S. Saul was elected Vice Chairman, a member of the Executive Committee and a Director.
21. On June 16, 1971, Mr. David O. Beim was elected Vice President, Underwriting, and Mr. Kenneth G. Murton was elected Vice President, National Sales.
22. Effective July 1, 1971, Mr. Edward L. Bond retired as a Vice President.
23. On July 21, 1971, Messrs. C. Allen Ellis and Albert L. Faber were elected Vice Presidents, Underwriting.

We sincerely apologize for the lateness in reporting some of these changes, but it was largely due to a series of lengthy illnesses in my Department, complicated by a serious fire in the office which caused extensive smoke damage and disruption of our operations and records.

Sincerely yours,



RJK:dz

P. S. On March 25, 1971, The First Boston Corporation became a Member Corporation of the New York Stock Exchange, Inc.

1 Preferred Stock issued with the approval of this Commission.

2 A Yes, they were.

3 Q Please describe the nature of the proposed  
4 Preferred Stock financing.

5 A The Company is seeking authority to issue and  
6 sell 425,000 shares of a new series of its Preferred Stock,  
7 without par value. All of the provisions of the new  
8 Preferred Stock, except the dividend rate, redemption prices,  
9 and liquidation prices, are set forth in a Certificate of  
10 Amendment to the Articles of Incorporation which was filed  
11 in the office of the Secretary of State of Missouri on  
12 January 10, 1955, as amended in a Certificate of Amendment  
13 to the Articles of Incorporation which was filed in the  
14 office of the Secretary of State of Missouri on January 10,  
15 1969, copies of which have been filed with this Commission  
16 in Case Nos. 12,461 and 16,812.

17 Q How does the Company propose to sell the  
18 new Preferred Stock?

19 A The offering of the new Preferred Stock is to  
20 be underwritten and, because of the present limited market  
21 for public utility preferred stocks and the size of the  
22 issue, the Company proposes to sell the new Preferred Stock  
23 to a group of underwriters selected through negotiation  
24 rather than through competitive bidding. Of the fifty-one  
25 electric and gas utility issues of Preferred Stock in

No. 49441



# STATE of MISSOURI

JAMES C. KIRKPATRICK, Secretary of State

Corporation Division

## Certificate

### DESIGNATION

I, JAMES C. KIRKPATRICK, Secretary of State of the State of Missouri, do hereby certify that duplicate copies of a resolution of

....., a Missouri corporation relating to Designation of Shares ..... have been received in this office.

The substance thereof is: Designation of 425,000 shares of Preferred Stock, \$8.00 Series of 1971.

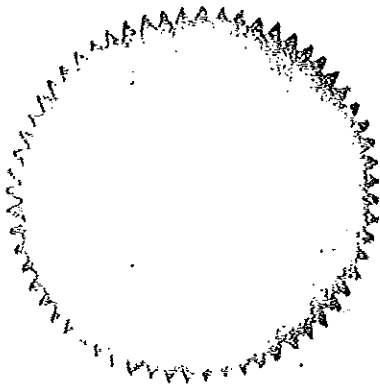
Said resolution is found to conform to law.

ACCORDINGLY, I, by the virtue of the authority vested in me by law, hereby issue this Certificate of Designation

and attach hereto a certified copy thereof.

Dated April 22, 1971

*James C. Kirkpatrick*  
Secretary of State



UNION ELECTRIC COMPANY

RECEIVED OF Three and no/100 ..... Dollars, \$ 3.00

For Credit of General Revenue Fund, on Account of Amendment Fee.

49441

UNION ELECTRIC COMPANY

Certificate of Designation, Description and  
Terms of Preferred Stock, \$8.00 Series of 1971

Union Electric Company, a corporation of the  
State of Missouri (hereinafter called the "Company") by  
its Vice President and Assistant Secretary, DOES HEREBY  
CERTIFY as follows:

1. That pursuant to the Certificate of Amend-  
ment of Articles of Incorporation of the Company filed  
in the office of the Secretary of State of Missouri on  
August 10, 1970, the Company has authorized 3,000,000  
shares of Preferred Stock without par value, of which  
350,000 shares of Preferred Stock, \$8.00 Series (of 1969),  
300,000 shares of Preferred Stock, \$6.40 Series, 200,000  
shares of Preferred Stock, \$4.56 Series, 213,595 shares of  
Preferred Stock, \$4.50 Series, 150,000 shares of Preferred  
Stock, \$4.00 Series, 40,000 shares of Preferred Stock,  
\$3.70 Series, and 130,000 shares of Preferred Stock, \$3.50  
Series, are now outstanding, and none of the remaining  
shares of authorized Preferred Stock are designated as  
shares of any series; and the Board of Directors of the  
Company is expressly authorized to fix, to the extent per-  
mitted by law, the designation and certain of the descrip-  
tion and terms with respect to each particular series of  
the Preferred Stock.

Report of UNION ELECTRIC COMPANY

to the

PUBLIC SERVICE COMMISSION OF MISSOURI

of BONDS sold under order of the Commission, dated April 7, 1971

Case No. 17,177

Date: As of December 31, 1971

Amount Authorized ..... \$50,000,000  
 Balance in Treasury, report of ..... 19..... \$  
 (If no previous report has been made, leave blank)

FIRST MORTGAGE BONDS, 7-5/8% SERIES DUE 2001

Date Sold	Name of Purchaser	Principal Amount	Amount Received (*)
April 29, 1971	Halsey, Stuart & Co. Inc.	\$14,525,000	\$14,655,725
"	Merrill Lynch, Pierce, Fenner & Smith Incorporated	14,525,000	14,655,725
"	A.B.N. Corporation	500,000	504,500
"	Bache & Co. Incorporated	4,250,000	4,288,250
"	George K. Baum & Company Incorporated	200,000	201,800
"	Black & Company, Inc.	250,000	252,250
"	Burnham and Company	4,250,000	4,288,250
"	Julien Collins & Company	400,000	403,600
"	The Illinois Company Incorporated	500,000	504,500
"	Kroeze, McLarty & Duddleston	200,000	201,800
"	McMaster Hutchinson & Co.	400,000	403,600
"	R. W. Pressprich & Co. Incorporated	4,250,000	4,288,250
"	Putnam, Coffin, Doolittle, Newburger Division of Advest Co.	1,000,000	1,009,000
"	Raffensperger, Hughes & Co., Inc.	200,000	201,800
"	Robertis, Scott & Co., Inc.	300,000	302,700
"	The Robinson-Humphrey Company, Inc.	1,000,000	1,009,000
"	Roose, Wade & Company	250,000	252,250
"	Stern, Frank, Meyer & Fox, Incorporated	400,000	403,600
"	Stuart Brothers	250,000	252,250
"	Sweeney Cartwright & Co.	250,000	252,250
"	Swiss American Corporation	900,000	908,100
"	Thomas & Company, Inc.	500,000	504,500
"	Tollner & Bean, Inc.	300,000	302,700
"	C. N. White & Co. Inc.	200,000	201,800
"	Wildman, Neal & DeKolt, Inc.	200,000	201,800
	Total	\$50,000,000	\$50,450,000

Balance Remaining in Treasury

None

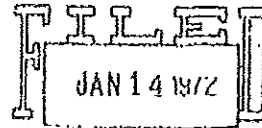
(\*) Exclusive in each case of accrued interest from April 1, 1971 to April 29, 1971, the date of delivery.



UNION ELECTRIC COMPANY  
1901 GRATIOT STREET • ST. LOUIS

January 13, 1972

MAILING ADDRESS:  
P.O. BOX 149  
ST. LOUIS, MO. 63166



Missouri Public Service Commission

PUBLIC SERVICE COMMISSION

Jefferson City, Missouri

Attention: Mr. Sam L. Manley, Secretary

Gentlemen:

There are enclosed executed copies of Report on Sale of Bonds and Report on Expenditures from Sale of Bonds with respect to the issue of \$50,000,000 principal amount of First Mortgage Bonds, 7-5/8% Series due 2001, of Union Electric Company, as authorized by the Commission in Case No. 17,177.

Please acknowledge receipt.

Very truly yours,

G. R. Murray  
Secretary

Let Better ...



... Electricity

# FINAL REPORT ON EXPENDITURES FROM SALE OF BONDS

Report of UNION ELECTRIC COMPANY

to the

PUBLIC SERVICE COMMISSION OF MISSOURI

of expenditures from proceeds of BONDS sold under order of the Commission,  
dated April 7, 1971.

Case No. 17,177

Date: As of December 31, 1971

Balance on hand, report of . . . . . 19 . . . . .	\$
(If no previous report has been made, leave blank)	
Amount Received, as per report on sale of bonds, dated as of December 31, 1971 . . . . .	\$50,438,000
Total cash received . . . . .	\$50,438,000

The proceeds received from the sale of bonds were expended for the following purposes:

1. For reimbursement, in part, of the Company's Treasury for capital expenditures as follows:

For the payment at maturity of \$90,000,000 principal amount of First Mortgage Bonds, 3 1/8% Series due 1971, due May 1, 1971 (\$41,437,500 having been paid by the application of the entire proceeds of the sale of 425,000 shares of Preferred Stock, \$8.00 Series of 1971) \$48,562,500

Expenditures, made during the period between April 1, 1968 and September 30, 1970, inclusive, from income of other moneys in its treasury not secured from the issue of stocks, bonds, notes or other evidences of indebtedness, for the acquisition of property and the construction, completion, extension or improvement of Company's plant and distribution system, and for the discharge of lawful refunding of its obligations, being a part of the expenditures, aggregating \$359,082,644, made within five years prior to the date of filing the application in Case No. 17,177.

1,791,000

2. For payment of expenses incurred in connection with the issue and sale of said bonds, a detailed statement of which is attached as Exhibit A.

\$1,497

Total

\$50,439,000

Balance on hand

None



*Missouri Public Service Commission*

1 (AT THIS TIME APPLICANT EXHIBIT NO. 3 WAS  
2 MARKED BY THE REPORTER FOR THE PURPOSE OF IDENTIFICATION.)  
3 BY MR. HENDRICKSON:

4 Q I hand you a document which has been marked  
5 Applicant's Exhibit 3. Please describe this document.

6 A Exhibit 3 is a form of supplemental  
7 indenture to be dated April 1, 1971, creating the  
8 \$50,000,000 principal amount of the new bonds and setting  
9 forth the terms thereof. A copy of this exhibit was  
10 attached to the application.

11 MR. HENDRICKSON: I would like to have this  
12 marked for identification as Applicant's Exhibit 4.

13 (AT THIS TIME APPLICANT EXHIBIT NO. 4 WAS  
14 MARKED BY THE REPORTER FOR THE PURPOSE OF IDENTIFICATION.)  
15 BY MR. HENDRICKSON:

16 Q I hand you documents which have been marked  
17 Applicant's Exhibit 4. Please describe these documents.

18 A Exhibit 4 consists of the form of public  
19 invitation for bids, the statement of terms and conditions  
20 relating to bids, and the forms of bid and purchase  
21 contract to be effective upon Union Electric Company's  
22 acceptance of a bid for the \$50,000,000 principal amount  
23 of new bonds. A copy of this exhibit was attached to the  
24 application.

25 Q What is the purpose of the proposed bond  
financing?

1 (AT THIS TIME APPLICANT EXHIBIT NO. 2 WAS  
2 MARKED BY THE REPORTER FOR THE PURPOSE OF IDENTIFICATION.)

3 COMMISSIONER MAUZE: Off the record for a  
4 second.

5 (Off the record discussion.)

6 \* \* \* \* \*

7 COMMISSIONER MAUZE: Back on the record.  
8 BY MR. HENDRICKSON:

9 Q I hand you a document which has been marked  
10 for identification as Applicant's Exhibit 2. Please  
11 describe this document.

12 A Applicant's Exhibit 2 is the Certificate  
13 of Designation, Description and Terms of the new Preferred  
14 Stock which will be filed in the office of the Secretary of  
15 State after filling in the blanks for dividend rate,  
16 redemption prices, voluntary liquidation prices and number  
17 of shares. A copy of this exhibit was attached to the  
18 application.

19 Q Please describe Union Electric's bonded  
20 indebtedness.

21 A The Company's funded debt consists of  
22 seventeen series of First Mortgage Bonds due at various  
23 dates from 1971 to 2001, inclusive, aggregating \$683,000,000,  
24 with stated coupon rates ranging from 2-3/4 percent to  
25 9 percent.

*Insurance Policy Underwriting Commission*

1 MR. MCNEIVE: And this was not attached  
2 to the--

3 MR. HENDRICKSON: No.

4 MR. MCNEIVE: --either the original applica-  
5 tion or the supplement; is that right?

6 MR. HENDRICKSON: Yes. That is correct,  
7 really.

8 MR. MCNEIVE: Thank you. I have no further  
9 questions at this time. Thank you.

10 COMMISSIONER MAUZÉ: You may proceed.

11 BY MR. HENDRICKSON:

12 Q Are the terms of the underwriting agreement  
13 a result of arms-length bargaining between the parties?

14 A Yes, they are.

15 Q Is there any material relationship between  
16 the underwriters and the Company?

17 A No, there is not.

18 COMMISSIONER MAUZÉ: Off the record for a  
19 second.

20 (Off the record discussion.)

21 \* \* \* \* \*

22 COMMISSIONER MAUZÉ: Back on the record.

23 MR. HENDRICKSON: I would like to have these  
24 marked for identification as Applicant's Exhibit 2.  
25

1 of \$3,750,000 in interest costs over the life of the bonds.  
2 This, of course, is based on the supposition that Union  
3 Electric could sell bonds which did not contain the five-  
4 year call restriction in general use today in connection  
5 with utility bonds. I am afraid, based on the experiences  
6 of other utilities, that Union Electric may find it difficult  
7 and expensive to sell bonds without a restriction on  
8 refunding. Most bond investors are cognizant of the fact  
9 that bonds carrying unusually high interest rates and no  
10 call restriction may offer a substantial temptation to the  
11 issuing company for early refunding.

12 Q How long has Union Electric included a  
13 five-year call restriction in its bond indentures?

14 A Since 1963.

15 Q What factors do you believe have contributed  
16 to the high interest rates of recent years?

17 A In my opinion, an intense demand for funds  
18 and accompanying price inflation account for the high  
19 interest rates of recent years.

20 Q Would you say that the demand for funds is  
21 still great and that price inflation continues to exist  
22 to a significant degree?

23 A Yes, I would.

24 MR. HENDRICKSON: I would like to have these  
25 marked for identification as Applicant's Exhibit 1.



1           A     The new bonds will be issued and sold to  
2     refund a portion of the 3-3/8 percent First Mortgage Bonds  
3     maturing May 1. It is possible that Union Electric  
4     Company may receive more money than required to refund  
5     that portion of the 3-3/8 percent First Mortgage Bonds not  
6     discharged through the issuance and sale of the new  
7     Preferred Stock. This additional sum, if any, will be  
8     used to pay the reasonable expenses of Union Electric  
9     in connection with the issue and sale of the new bonds and  
10    through reimbursement of the Company's treasury for monies  
11    previously expended for proper capital expenditures, to  
12    retire in part notes evidencing short-term bank borrowings  
13    and commercial paper.

14           Q     Do you have an estimate of the Company's  
15    expenses in connection with the issuance and sale of the  
16    new bonds?

17           A     We have estimated these expenses to be  
18    \$92,500.

19           Q     How will expenses and premiums received on  
20    the new bonds be accounted for?

21           A     Such expenses and premiums will be amortized  
22    by equal monthly installments over the life of the new  
23    bonds.

24           Q     Will you please elaborate on the reimburse-  
25    ment of the Company's treasury for capital expenditures

STATE OF MISSOURI )  
 ) SS.  
COUNTY OF ST. LOUIS )

IN THE CIRCUIT COURT OF THE COUNTY OF ST. LOUIS

STATE OF MISSOURI

CENTRAK PROTECTIVE SYSTEMS, INC., )  
a Missouri Corporation, )

Plaintiff, )

vs. )

EMPIRE ALARMS, INC., d/b/a )  
LACLEDE GAS SECURITY SYSTEMS, INC. )

Defendant. )

Cause No. 374945

Div No. \_\_\_\_\_

COUNT I

PETITION FOR INJUNCTIVE RELIEF

1. Plaintiff is a Missouri corporation duly existing according to law.
2. Defendant is a Missouri corporation doing business as Laclede Gas Security Systems, Inc. and a subsidiary of Laclede Investment Company which is in turn a subsidiary of Laclede Gas Company. Defendant's main business office is located at 6108 Madison, St. Louis County, Missouri, and its General Manager at said location is Gary Durham.
3. Both plaintiff and defendant are engaged in the installation of fire and burglar alarms and monitoring within the St. Louis Metropolitan area; that as such, they are in direct competition with each other.
4. That Laclede Gas Company, the parent corporation of defendant, is a regulated gas utility sanctioned by the State of Missouri holding a franchise and a Certificate of Convenience and Necessity to supply natural gas within the Metropolitan St. Louis area; that Laclede Gas Company operates as a monopoly in the gas utility business.
5. That Laclede Gas Security Systems, Inc. has and is engaged in unfair competition in the following manner:
  - (a) That in August of 1972, two years after being purchased by Laclede Investment Company, Empire Alarms, Inc.

commenced doing business under the fictitious name of Laclede Gas Security Systems, Inc.; that the use of such name was and is calculated to and has deceived or confused the public in that the name Laclede Gas has acquired a significance by right of the Missouri Public Service Commission as a protected and regulated utility thereby causing the public to have confidence and faith in the name of "Laclede Gas";

(b) That Laclede Gas Security Systems, Inc. has solicited subscribers to its alarm services through utility bills of Laclede Gas Company, thus using a media of advertising which cost is borne by the general public through the payment of regulated gas rates;

(c) That it has advertised that alarm fees can be paid along with Laclede Gas Company utility bills creating a convenience of billing and payment not available to other alarm companies, all of which is only available as a direct result of the franchises and certificates granted to Laclede Gas Company;

(d) That the Board of Directors of Laclede Gas Security Systems, Inc. is substantially the same as the Board of Directors of Laclede Gas Company; that its officers are substantially the same as Laclede Gas Company, all of which gives the defendant a competitive advantage in management knowledge and guidance which is aided, supervised, and guided by the Missouri Public Service Commission through its policy of requiring efficient management techniques of public utilities regulated by the Missouri Public Service Commission;

(e) That the financing and capitalization of the defendant has been directly or indirectly by Laclede Gas Company whose existence is assured by the Missouri Public Service Commission allowing a profitable rate of return through regulated gas rates;

(f) As a subsidiary of a monopolistic gas utility, it has newer and more available information as to commercial and industrial development in the St. Louis Metropolitan area, such first hand knowledge being valuable and important to the survival of a fire and burglar alarm business.

Gas Company, a regulated gas utility, has not so conducted its operations so as to be substantially kept separate and apart from the owning, operation and management of Laclede Gas Company, and because of such, is subject to the jurisdiction of the Missouri Public Service Commission as provided for in R.S.Mo. 393.140, (12); that defendant pay the court costs herein; and for such other relief as this Court may deem necessary and proper under the circumstances.

COUNT III

1. Plaintiff incorporates by reference Paragraphs "1, 2, 3, 4 and 5" of Count I of Plaintiff's Petition.

2. That Laclede Gas Security Systems, Inc., because of the aforesaid unfair competition, has managed to contract with all the banks within the City of St. Charles, undercutting Plaintiff's bid substantially.

3. Laclede Gas Security Systems, Inc. has underbid Plaintiff repeatedly within the City of St. Louis and the County of St. Louis so that Plaintiff has lost contracts because of its inability to meet the unreasonably low bids by Defendant.

4. Because of the aforesaid, Plaintiff has been damaged in the sum of Twenty-Five Thousand (\$25,000.00) Dollars from loss of income and profit as a result of the unfair competition of the Defendant.

WHEREFORE, Plaintiff prays that the Court declare that the Defendant is unfairly competing because of its association and financing by a regulated utility and that the Court award to the Plaintiff the sum of Twenty-Five Thousand (\$25,000.00) Dollars for its damages as stated herein and for such other orders as this Court may deem necessary and proper under the circumstances.



Laclede GAS CO

Union Electric CO

Industrial Development Authority OF St. Louis MO

LaSalle Bank N.A.

Citi group Global Markets Realty CORP

Furn PAT LP

Three Flags Center LP

Southwestern Bell TEXAS INC

MISSOURI SAVINGS ASSOCIATION

Devcon IT Management LLC

National Acceptance CO OF America CORP

COUNT IV

1. Plaintiff incorporates by reference Paragraphs "1, 2, 3, 4 and 5" of Count I of Plaintiff's Petition.
  2. Plaintiff incorporates by reference Paragraphs "2, 3, 4, 5, and 6" of Count II of Plaintiff's Petition.
  3. That Plaintiff has a property right to fairly compete for customers within its market area.
  4. That the Defendant through its conducts as heretofore alleged has illegally deprived and taken from Plaintiff that property right in violation of Plaintiff's constitutional privileges granted in Article I, Section 28, Missouri Constitution. That this illegality has been perpetrated under auspices of the Missouri Public Service Commission in allowing the parent corporation of the Defendant to fund, manage, and otherwise direct the activities of the Defendant.
  5. That the Defendant through its parent corporation, Laclede Gas Company, has thus used the public utilities privilege to the disadvantage of Plaintiff, and that the Public Service Commission has not attempted to regulate the Defendant, and by its regulation of Laclede Gas Company, it has proven to be inadequate and insufficient to reverse the abuse so perpetrated since 1972.
- WHEREFORE, Plaintiff prays that the Court dissolve and liquidate the Defendant corporation by judicial sale to the highest bidder or bidders and for such other orders as to this Court may seem meet and just.

**FILED**

NOV 12 1975

RAYMOND V. CLIFFORD  
CIRCUIT CLERK, ST. LOUIS COUNTY

BRUERE AND ROLLINGS

374945

BY:

*Keith W. Hazelwood*  
KEITH W. HAZELWOOD  
Attorney for Plaintiff  
2209 First Capitol Drive  
St. Charles, Missouri 63301  
946-6086

\$65.00  
DEPOSIT  
6.00 FILING FEE  
\$71.00 TOTAL

RAYMOND V. CLIFFORD  
CIRCUIT CLERK

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RECEIVED  
CIRCUIT CLERK OF  
ST. LOUIS COUNTY

Priscilla Bass  
Irrevocable  
Trust #20-00044 00137534

Laclede Investment co  
00117007

Laclede Investments  
00045703

Laclede Investment  
Company Inc 00085249

Siemens Petroleum Co  
X00040754

Siemens Petroleum Products Inc  
00057839

Siemens Petroleum Products Inc  
00055592

R.E. Siemens Coal Co

Inland Oil & Transport Co

Marine Petroleum Co

Mar Oil Company

Bonafide Oil Co

Denby Refining Co

CC Dillman Co

Phillips Petroleum Co

Sinclair Marketing Inc  
Site 61 Company of Mo

Texas Discount Gas Co

Wharmann Oil Co

Chay Shire Electric Inc

Commercial Cartage Co

Commonwealth Construction Co  
Inc

Summit Investment  
Co

Landmark Bank  
Case # 216 294 66  
Siemens Pet

General Equipment  
Co Inc

214 02674

Laclede Gas Security

Clayton Trust Co

Roco Petroleum

CROSS-EXAMINATION BY MR. MONEIVE:

Q Mr. Welshans, referring you to what has been marked for identification as Applicant's Exhibit No. 1, is it correct to say that the exhibit therein contains a document to which there are two annexes, Annex A and Annex B, so marked?

A That is correct.

Q All right, sir. Now, Exhibit 1, the initial document has the caption "Agreement Among Underwriters," is that right?

A That is correct.

Q And Annex A, which I believe was originally furnished to the Commission in the supplement application as Applicant's Exhibit 1, is denoted as "Underwriting Agreement," is that right?

A That is correct.

Q For the benefit of the Commission, would you explain the difference, if any, between the two documents and their purpose?

A The Agreement Among the Underwriters is essentially a syndicate contract establishing the terms and conditions under which the syndicate will operate. The Underwriting Agreement, on the other hand, is an agreement between the Company, Union Electric Company, and the investment banking syndicate.

*Massachusetts Public Service Commission*

1 previously made?

2 A Yes. During the period of April 1, 1968,  
3 to September 30, 1970, the Company had expended \$359,082,644  
4 for the acquisition of property and the construction,  
5 completion, extension or improvement of its plant and for  
6 the discharge or lawful refunding of its obligations. The  
7 Company's treasury was reimbursed for such expenditures to  
8 the extent of approximately \$38,282,000 in connection with  
9 the issuance and sale of a series of First Mortgage Bonds  
10 authorized by the Commission in Case No. 17,099, leaving  
11 a balance of approximately \$320,800,000 for which the  
12 Company's treasury has not been reimbursed.

13 Q Were such monies actually expended from  
14 income or other monies in the Company's treasury not  
15 secured from the issue of stocks, bonds, notes or other  
16 evidences of indebtedness of the Company?

17 A Yes, the expenditures were made from general  
18 treasury funds.

19 MR. HENDRICKSON: I would like to have these  
20 documents marked Applicant's Exhibit 5.

21 COMMISSIONER MAUZE: You may.

22 (AT THIS TIME APPLICANT EXHIBIT NO. 5 WAS  
23 MARKED BY THE REPORTER FOR THE PURPOSE OF IDENTIFICATION.)  
24 BY MR. HENDRICKSON:

25 Q I hand you a document which has been marked

*Securities Public Finance Commission*

1 those are the four individuals or what we should call them  
2 that appear on Schedule 1 of either Annex A or what was on  
3 the application as Exhibit 1,--

4 A That's right.

5 Q --namely, The First Boston Corporation,  
6 Lehman Brothers Incorporated, Merrill Lynch, Pierce,  
7 Fenner & Smith, Incorporated, White, Weld & Co.?

8 A That is correct.

9 Q Would it be safe to say that there was  
10 some agreement basically between the Applicant and the  
11 underwriters as of February 17, 1971 with respect to the  
12 preferred stock as to the amount of discount that would  
13 be necessary to reach an agreement on in the 94 to 100  
14 range?

15 A The 94 to 100 range was essentially our  
16 decision based upon contact with advice from the four  
17 managers so listed here.

18 Q Well, this 94 to 100 was still a range or  
19 after discussing it with them was there any feeling what  
20 in fact the price would be in that range between the  
21 underwriters and the Applicant?

22 A At that time I think there was a general  
23 expectation that it would sell at 100.

24 Q Would sell at 100?

25 A That is correct. Rates had dropped quite

*William F. Miller, General Counsel*

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A. Right.

Q In excess of \$20,000,000,--

A. Right.

Q --which is your situation here.

A. That is correct.

Q All right. Now, you state all except one of the 19 elected to competitive bid those issues were required to take bids, would you explain what you mean by "required to take bids"?

A Yes, these companies that did take competitive bids, all except the one, come within the jurisdiction of the Public Utility Holding Company Act and are required to do so. Last week the New York State Gas and Electric preferred stock issue went out at competitive bid, and it does not come under the jurisdiction of the Public Utility Holding Company Act, however, I am told that this was a New York State Commission requirement, that the new Chairman of that Commission has now decided that issues in that state, at least substantial issues, and we think \$10,000,000 is the dividing line, should be offered at competitive bid.

Q Do you happen to know the results of this particular offer that you have mentioned here in New York?

A This was the one that was so disillusioning to us, it cost the company 8.79 percent, whether this was



*Union Electric Bond Commission*

1 prohibit the Company from paying a dividend in excess of  
2 \$8.00 per share; therefore, the Company proposes to sell  
3 the new Preferred Stock at a price which will insure that  
4 the dividend will not exceed this amount.

5 Q If the new Preferred Stock is sold for  
6 \$85.00 per share, what will be the dividend rate that  
7 Union Electric would be paying?

8 A Approximately 9.4 percent.

9 Q What effect will the deduction for income  
10 taxes that the Company will be permitted for the new  
11 Preferred Stock dividends have on this dividend rate?

12 A The tax deduction is presently 14 percent  
13 of the dividend payment based on present corporate income  
14 tax levels; therefor, the effective dividend rate on a  
15 9.4 percent Preferred Stock is 86 percent of this or  
16 approximately 8.1 percent.

17 Q Does the Company propose to pay the  
18 underwriters' compensation and the other expenses of the  
19 New Preferred Stock issue from the proceeds of the sale?

20 A No. All expenses of the new Preferred Stock  
21 issue, including the underwriters' compensation, will be  
22 paid from the general funds of the Company. Every dollar  
23 received from the proposed Preferred Stock issue will be  
24 used toward discharging a portion of the 3-3/8 percent  
25 First Mortgage Bonds maturing May 1.



*Union Electric's New Common*

1 investment banking firms of The First Boston Corporation,  
2 Lehman Brothers Incorporated, Merrill Lynch, Pierce,  
3 Fenner & Smith Incorporated and White, Weld & Co., each  
4 of which has been active in underwriting other security  
5 issues of the Company, and those firms will act as managers  
6 of an underwriting syndicate which is to make the public  
7 offering.

8 Q Please describe the proposed terms of the  
9 sale to the underwriters.

10 A The new Preferred Stock will be sold to  
11 the underwriters at \$85.00 to \$100.00 per share plus  
12 accrued dividends, if any. The compensation to be paid  
13 the underwriters for their commitments in selling the  
14 stock and the annual dividend rate for the new Preferred  
15 Stock will be determined just prior to the public offering  
16 thereof and will be the lowest rates which will insure  
17 successful sale of the new Preferred Stock based on  
18 financial market conditions at the time, but in no event  
19 will the underwriters' compensation exceed \$1.50 per share  
20 and the dividend \$8.00 per share.

21 Q How will the sales price per share be  
22 decided?

23 A The sales price will be determined by the  
24 prevailing dividend rates for preferred stock at the time  
25 of sale. Union Electric's Articles of Incorporation

MISSOURI UTILITIES COMPANY

400 BROADWAY

CAPE GIRARDEAU, MISSOURI 63701 PUBLIC SERVICE COMMISSION

March 26, 1971

NOT A CALL, THEREFORE  
IT IS NOT A CALL, THEREFORE  
IT IS NOT A CALL, THEREFORE

NOT A CALL, THEREFORE  
IT IS NOT A CALL, THEREFORE  
IT IS NOT A CALL, THEREFORE

Mr. Sam L. Manley, Secretary  
Missouri Public Service Commission  
Jefferson City, Missouri 65101

RECEIVED

MAR 29 1971

Dear Mr. Manley:

PUBLIC SERVICE COMMISSION

Re: Case No. 17,166

In accordance with ORDERED 2 of the Commission's Order dated February 16, 1971, in the above referenced case, there is enclosed herewith for filing in the case papers a conformed copy of the supplemental indenture in final form, executed by Missouri Utilities Company and The Boatmen's National Bank of St. Louis as Trustee.

Please see that this is called to the attention of the Commission and properly filed as is ordered.

Sincerely,

*J. F. Walz, Jr.*  
J. F. Walz, Jr.  
Vice President and Secretary

TFWJr/he

Enclosure

5. On December 29, 2000, and February 27, 2001, applications to intervene in this proceeding were filed by PACE and the Missouri Energy Group, respectively.

Both applications to intervene were subsequently granted by the Commission.

6. On January 5, 2001, the Commission issued notice of Laclede's Application and established a deadline for parties wishing to intervene in this proceeding. By subsequent Order dated February 13, 2001, the Commission scheduled a prehearing conference for the purpose of permitting the parties to engage in settlement discussions and, if necessary, to develop a procedural schedule for addressing any remaining, unresolved issues. The prehearing conference was subsequently held on March 13, 2001.

7. As a result of their discussion both during and following the prehearing conference in this case, the Parties have agreed to a resolution of all of the issues in this case, and hereby stipulate and agree as follows:

## SECTION II APPROVAL OF PROPOSED RESTRUCTURING

1. The Parties (except PACE) recommend that the Commission grant the relief requested by the Company in its Verified Application. Specifically, the Parties (except PACE) recommend that the Commission issue an Order, as soon as practicable, authorizing the Company to restructure itself into a holding company, regulated utility company and unregulated subsidiaries, as more fully described in the Company's Verified Application, and to perform and complete any transactions required to effectuate the Proposed Restructuring.

2. The Parties further recommend that such approval be conditioned on the agreements, understandings and requirements set forth in Sections III, IV, V, VI and VII of this Stipulation and Agreement. Provided such approval is so conditioned, PACE does

term debt, excluding short-term debt supporting natural gas and propane inventories, purchased gas costs and cash working capital. Common equity is defined as par value of common stock, plus additional paid in capital, plus retained earnings, minus treasury stock. The Laclede Group, Inc. and Laclede Gas Company agree to notify the Staff and Public Counsel in the event they become aware of any material possibility that either or both companies will be unable to maintain their respective equity ratios. In the event either Company's equity ratio should fall below these specified levels, Laclede Gas Company shall file a plan with the Commission within 90 days of such occurrence proposing alternatives for raising the ratios to or above the levels specified herein.

5. Laclede Gas Company shall submit quarterly to the Staff's Financial Analysis Department and Public Counsel certain key financial ratios that will be calculated, to the extent practical, consistent with the methodology employed by Standard and Poor's Credit Rating Service. These key financial ratios shall include:

- (a) Pre-tax interest coverage;
- (b) After-tax coverage of interest and preferred dividends;
- (c) Funds flow interest coverage;
- (d) Funds from operations to total debt;
- (e) Total debt to total capital (including preferred); and
- (f) Total common equity to total capital.

6. Laclede Gas Company's total long-term instruments payable at periods of more than twelve months shall not exceed Laclede Gas Company's regulated rate base.

7. Laclede Gas Company agrees to maintain its debt and, if outstanding, its preferred stock rating at an investment grade credit rating, unless it is unable to do so due

to events or circumstances beyond its control, including, but not limited to, acts of God, war, insurrection, strikes, civil unrest, material changes in market conditions that could not have been reasonably anticipated, or changes in the application, character or impact of laws, taxing requirements, regulations, or regulatory practices and standards governing the Company's regulated operations. Laclede Gas Company agrees to notify the Staff and Public Counsel in the event it becomes aware of any material possibility that it will not be able to maintain such a credit rating with any established agency that typically rates Laclede's debt. In the event Laclede Gas Company's credit rating should fall below investment grade, Laclede shall file a plan with the Commission within 90 days of such occurrence proposing alternatives for raising its credit rating above investment grade.

8. The Laclede Group, Inc and Laclede Gas Company agree that the Commission has, and will continue to have, the authority after the Proposed Restructuring to regulate, through the lawful exercise of its current statutory powers, any direct or indirect transfer or disbursement of earnings from Laclede Gas Company to an affiliate that would jeopardize the Company's ability to meet its utility obligations. The Laclede Group, Inc, and Laclede Gas Company also agree that the Commission has the authority, through the lawful exercise of its ratemaking powers, to ensure that the rates charged by Laclede Gas Company for regulated utility service are not increased as a result of the unregulated activities of Laclede's affiliates and Laclede agrees, consistent with such standard, that rates should not be increased due to such activities.

#### SECTION IV ACCESS TO INFORMATION CONDITIONS

1. The Laclede Group, Inc. and Laclede Gas Company shall provide the Staff and Public Counsel with access, upon reasonable written notice during normal working

hours and subject to appropriate confidentiality and discovery procedures, to all written information provided to common stock, bond, or bond rating analysts, which directly or indirectly pertains to Laclede Gas Company or any affiliate that exercises influence or control over Laclede Gas Company or has affiliate transactions with Laclede Gas Company. Such information includes, but is not limited to, reports provided to, and presentations made to, common stock analysts and bond rating analysts. For purposes of this condition, "written" information includes but is not limited to, any written and printed material, audio and videotapes, computer disks, and electronically stored information. Nothing in this condition shall be deemed to be a waiver of The Laclede Group, Inc.'s or Laclede Gas Company's right to seek protection of the information or to object, for purposes of submitting such information as evidence in any evidentiary proceeding, to the relevancy or use of such information by any party.

2. Upon request, Laclede Gas Company and The Laclede Group, Inc. agree to make available to Staff, Public Counsel and PACE, upon written notice during normal working hours and subject to appropriate confidentiality and discovery procedures, all books, records and employees of The Laclede Group, Inc., Laclede Gas Company and its affiliates as may be reasonably required to verify compliance with the CAM and the conditions set forth in this Stipulation and Agreement and, in the case of PACE, to ensure that it continues to have the same degree and kind of access to information relevant to the investigation and processing of grievances and the enforcement of collective bargaining agreements, whether from affiliates or otherwise, as it currently has under Laclede's existing corporate structure. In addition to following standard discovery procedures, Staff's and Public Counsel's access to bargaining unit employees shall also be conditioned

on Staff and Public Counsel providing reasonable notice to the employee's Union of their intent to seek such access and the right of such employee to be represented by the Union.

Laclede Gas Company and The Laclede Group, Inc. shall also provide Staff and Public Counsel any other such information (including access to employees) relevant to the Commission's rate-making, financing, safety, quality of service and other regulatory authority over Laclede Gas Company; provided that Laclede Gas Company and any affiliate or subsidiary of The Laclede Group, Inc. shall have the right to object to such production of records or personnel on any basis under applicable law and Commission rules, excluding any objection that such records and personnel of affiliates or subsidiaries: (a) are not within the possession or control of Laclede Gas Company; or (b) are either not relevant or are not subject to the Commission's jurisdiction and statutory authority by virtue of or as a result of the implementation of the Proposed Restructuring.

3. Laclede Gas Company, each affiliate and The Laclede Group, Inc. will maintain records supporting its affiliated transactions for at least five years.

#### SECTION V COMMISSION AUTHORIZATION CONDITIONS

1. The Laclede Group, Inc. agrees that it will not, directly or indirectly, acquire or merge with or allow itself to be acquired by or merged with, a public utility or the affiliate of a public utility, where the affiliate has a controlling interest in a public utility, or seek to become a registered holding company, or take any action which has a material possibility of making it a registered holding company or of subjecting all or a portion of its Missouri intrastate gas distribution operations to FERC jurisdiction, without first requesting and, if considered by the Commission, obtaining prior approval from the Commission and a finding that the transaction is not detrimental to the public, provided



that for purposes of acquisitions by the Holding Company only, public utility shall mean a natural gas or electric public utility.

2. Laclede Gas Company shall not sell, lease, assign or transfer to any affiliate or third party any of its utility assets that are used and useful in the performance of Laclede's public utility obligations without obtaining Commission approval.

#### SECTION VI COST ALLOCATION MANUAL CONDITIONS

1. Upon implementation of the Proposed Restructuring, transactions involving transfers of goods or services between Laclede Gas Company and one or more of the Company's affiliated entities shall be conducted and accounted for in compliance with the provisions of a Cost Allocation Manual ("CAM") which shall be submitted to Staff, Public Counsel and PACE on or before April 15, 2003, and on an annual basis thereafter. The CAM shall be in the form contained in the direct testimony of Patricia A. Krieger, provided that the CAM, and the information that the Company is required to maintain and submit thereunder, shall be revised and supplemented within 120 days of the approval of this Stipulation and Agreement to include any and all of the following information as required to administer, audit and verify the Transfer Pricing and Costing Methodologies set forth in Section VIII of the CAM or such other Transfer Pricing and Costing Methodologies as may become applicable to the Company in the future:

- 
- (a) For all Laclede Gas Company functions that will provide support to nonregulated affiliates and the holding company:
- (1) A list and description of each function;
  - (2) The positions and numbers of employees providing each function;
- and



- (3) The procedures used to measure and assign costs to nonregulated affiliates and the holding company for each function.
- (b) A list and description of each service and good that will be provided to Laclede Gas Company from each affiliate and the holding company.
- (c) A list and description of each service and good that will be provided by Laclede Gas Company to each affiliate and the holding company.
- (d) The dollar amount of each service and good charged to each affiliate and the holding company by Laclede Gas Company, and the total cost related to each service and good listed.
- (e) The dollar amount of each service and good purchased from each affiliate and the holding company by Laclede Gas Company, and the total cost related to each service and good listed.
- (f) A detailed discussion of the basis for determining the charges from Laclede Gas Company and each affiliate and the holding company, including:
- (1) If costs are allocated, a detailed description of the allocation process employed for each service and good;
  - (2) Detailed descriptions of how direct, indirect and common activities are assigned for each service and good;
  - (3) A detailed description of how market values are determined for each service and good; and

- (4) A detailed discussion of the criteria used to determine whether volume discounts and other pricing considerations are provided to Laclede Gas Company, affiliates, and the holding company.

(g) For each line of business that will be engaged in by Laclede Gas Company with non-affiliated third party customers following formation of a holding company and that would not reasonably be considered as a component of its regulated utility business, Laclede shall provide:

- (1) A list and description of each nonregulated activity;
- (2) The total amount of revenues and expenses for each nonregulated activity for the last calendar year; and
- (3) A listing of all Laclede Gas Company cost centers and/or functions that directly assign cost, indirectly assign cost and/or allocate cost to each nonregulated activity engaged in by Laclede Gas Company with non-affiliates.

2. Laclede agrees to make compliance with the procedures and requirements set forth in the CAM and the other terms of this Stipulation and Agreement a standard element of its Code of Conduct and to provide employee training and oversight in a manner that is reasonably designed to achieve such compliance. Laclede will conduct regularly scheduled audits to confirm compliance with its CAM and will annually review and update the CAM where necessary and submit such updates with its next CAM filing. Laclede will identify a function or position with responsibility for enforcing and updating the CAM.

3. As part of its CAM submittal, Laclede Gas Company will provide a list of all jurisdictions in which Laclede Gas Company, the holding company, affiliates, and service company, if formed, file affiliate transaction information.

4. As part of its CAM submittal, Laclede Gas Company will also provide Organizational Charts for The Laclede Group, Inc. (corporate structure), Laclede Gas Company and any other affiliate doing business with Laclede Gas Company and a copy of the annual holding company filing the Laclede Group, Inc. is required to file with the Securities and Exchange Commission.

#### SECTION VII MISCELLANEOUS CONDITIONS

1. Laclede Gas Company will not seek to recover any costs related to the Proposed Restructuring from ratepayers. These costs will be identified, described and accounted for in a manner that would enable the Staff and Public Counsel to seek disallowance from rates, if necessary, in a future proceeding.

2. Laclede Gas Company will provide the Staff and Public Counsel with an explanation for any final reorganization journal entry that deviates by more than ten percent (10%) from the estimated proforma entries provided in Exhibit 4 of the Application. Copies of the actual journal entries will be provided to the General Counsel's Office no later than thirty days following the preparation of the final merger closing entries.

3. The Laclede Group and its affiliates (including Laclede) will provide the following documents to Staff and Public Counsel on an annual basis:

- (a) All new, revised and updated business plans for The Laclede Group and its affiliates (including Laclede);

- (b) Descriptions of any and all joint marketing/promotional campaigns between Laclede and The Laclede Group and any of its affiliates;
- (c) Narrative description of all products and services offered by The Laclede Group and its affiliates (including Laclede), provided that Laclede shall not be required to provide narrative descriptions of its tariffed products and services;
- (d) All information provided under this subsection shall be considered "highly confidential" or "proprietary" as those terms are used in 4 CSR 240-2.085, and shall be treated as highly confidential or proprietary information by the Staff and Public Counsel;
- (e) The Laclede Group, Inc. and its affiliates (including Laclede) shall also notify Staff, Public Counsel and PACE in the event and at such time as they commence a line of business that neither Laclede nor its affiliates were actively engaged in at the time of the Proposed Restructuring. Such notification can take the form of public announcements, press releases or other means of notification provided to the parties.

4. Laclede Gas agrees to notify the Staff, Public Counsel, and PACE in the event and at such time as any decision is made to transfer any department or function relating to the Company's provision of regulated utility services from the regulated gas corporation to a non-regulated affiliated entity or other third party; provided that nothing herein shall be construed as limiting or modifying in any manner any notice or other requirement Laclede may have relating to the transfer of bargaining unit employees or the work performed by such employees pursuant to the existing collective bargaining unit

agreements between Laclede and Pace or applicable federal labor law. At the time of its annual CAM filing, Laclede will also provide Public Counsel, Staff and PACB information detailing the name, job description, and transfer dates of any employees that were permanently or temporarily transferred between Laclede and any affiliate during the preceding fiscal year.

5. Nothing in this Stipulation and Agreement shall be deemed to change in any way any of the rights and obligations of Laclede Gas Company or PACB under the collective bargaining agreements between them or under any non-PSC law, and by entering into this Stipulation and Agreement, neither Laclede Gas Company or PACB waives any such rights.

6. Nothing in this Stipulation and Agreement or the implementation of the Proposed Restructuring shall affect in any way the scope of any existing ratemaking authority the Commission has over Laclede Gas Company relating to activities undertaken by Laclede Energy Resources or Laclede Pipeline Company prior to implementation of the Proposed Restructuring or over ratemaking issues that may arise as the result of the formation of a service company.

#### **SECTION VIII**

#### **STANDARD PROVISIONS**

1. This Stipulation represents a negotiated settlement for the purpose of disposing of all of the identified issues in this case. None of the Parties to the Stipulation shall have been deemed to have approved or acquiesced in any ratemaking, procedural or legal principle, any method of cost determination or cost allocation, or any service or payment standard, and none of the Parties shall be prejudiced or bound in any manner by

the terms of this Stipulation in any other proceeding, except as otherwise expressly specified herein.

2. In the event the Commission approves this Stipulation and Agreement, all of the prefiled testimony submitted by the Parties in this proceeding may be received into evidence, and the Parties waive their respective rights to cross-examination, to submit oral argument or briefs, and their rights to judicial review of such determination.

3. The Staff shall file suggestions or a memorandum in support of this Stipulation and Agreement and the other parties shall have the right to file responsive suggestions. All memoranda submitted by the Parties shall be considered privileged in the same manner as are settlement discussions under the Commission's rules; shall be maintained on a confidential basis by all Parties; and shall not become a part of the record of this proceeding or bind or prejudice the Party submitting such memorandum in any future proceeding or in this proceeding, whether or not the Commission approves this Stipulation. The contents of any memorandum provided by any Party are its own and are not acquiesced in or otherwise adopted by the other signatories to this Stipulation, whether or not the Commission approves and adopts this Stipulation.

4. The Staff shall have the right to provide, at any agenda meeting at which this Stipulation is noticed to be considered by the Commission, whatever oral explanation the Commission requests; provided that the Staff shall, to the extent reasonably practicable, promptly provide other Parties with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from the Staff. Staff's oral explanation shall be subject to public disclosure,

except to the extent it refers to matters that are privileged or protected from disclosure pursuant to any protective order in this case.

5. The agreements contained in this Stipulation have resulted from extensive negotiations among the Parties and are interdependent. In the event the Commission does not approve or adopt the provisions of this Stipulation in total, then this Stipulation shall be void and no signatory shall be bound by any agreements or provisions hereof.

6. To assist the Commission in its review and consideration of this Stipulation, the Parties also request that the Commission advise them of any additional information that the Commission may desire from the Parties relating to the matters addressed in this Stipulation, including any procedures for furnishing such information to the Commission.



WHEREFORE, the signatories hereto respectfully request that the Commission approve this Unanimous Stipulation and Agreement as expeditiously as possible.

Respectfully submitted,

Michael C. Pendergast

Michael C. Pendergast #31763  
Assistant Vice President  
Associate General Counsel  
Laclede Gas Company  
720 Olive Street, Room 1520  
St. Louis, MO 63101  
(314) 342-0532 Phone  
(314) 421-1979 Fax

Douglas E. Michael

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P.O. Box 7800  
Jefferson City, MO 65102-7800  
(573) 751-5560 Phone  
(573) 751-5562 Fax

Lisa C. Langeneckert

Robert C. Johnson #13755  
Lisa C. Langeneckert #49781  
Attorneys for Missouri Energy Group  
Law Office of Robert C. Johnson  
720 Olive Street, Suite 2400  
St. Louis, Missouri 63101  
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(314) 588-0638 Fax

Cliff Snodgrass

Cliff Snodgrass #52302  
Senior General Counsel  
Commission Staff  
P.O. Box 360  
Jefferson City, MO 65102  
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(573) 751-9285 Fax

Jan Bond

Jan Bond #29227  
Attorney For Intervenor  
Local 5-6 and Local 5-194  
Suite 200  
7730 Carondelet Avenue  
St. Louis (Clayton), Missouri 63105  
(314) 727-1015 Phone  
(314) 727-6804 Fax

Gerald T. McNeive

Gerald T. McNeive, Jr.  
Senior Vice President  
For The Laclede Group, Inc.  
720 Olive St.  
St. Louis, Mo. 63101  
(314) 342-0508

## CERTIFICATE OF SERVICE

Michael C. Pendergast, Assistant Vice-President, Associate General Counsel for Laclede Gas Company, hereby certifies that the foregoing Unanimous Stipulation and Agreement has been duly served upon all parties of record to this proceeding by placing a copy thereof in the United States mail, postage prepaid, or by hand delivery, on this 9<sup>th</sup> day of July 2001:

Douglas E. Michael  
Senior Public Counsel  
Office of the Public Counsel  
P.O. Box 7800  
Jefferson City, Missouri 65102

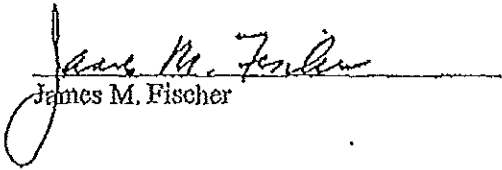
Dan K. Joyce  
General Counsel  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, Missouri 65102

Jan Bond  
Attorney for Intervenors  
Local 5-6 and Local 5-194  
7730 Carondelet Avenue, Suite 200  
St. Louis (Clayton), Missouri 63105

Cliff Snodgrass  
Senior General Counsel/Commission Staff  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, Missouri 65102

Robert C. Johnson  
Lisa C. Langeneckert  
Attorneys for Missouri Energy Group  
Law Office of Robert C. Johnson  
720 Olive Street, Suite 2400  
St. Louis, Missouri 63101

Gerald T. McNeive, Jr.  
Senior Vice President  
for The Laclede Group, Inc.  
720 Olive Street  
St. Louis, Missouri 63101

  
James M. Fischer

CASE NUMBER 10AC-CC00170

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For the 2004-2005 and 2005-2006 ACA periods, please provide the following:

1. For the 2004-2005 ACA: a copy of all Laclede Energy Resources (LER) gas supply and transportation invoices, contracts and nomination records that were effective for the months of January 2005 and April 2005.
2. For the 2005-2006 ACA: a copy of all Laclede Energy Resources (LER) gas supply and transportation invoices, contracts and nomination records that were effective for the months of January 2006 and April 2006.
3. The ledgers or dealbooks or journals or other documents that record all of LER gas supply and transportation deals in summary form or report form or spreadsheet form or similar form. The response should include sale dates, sales and purchase volumes, sales and purchase prices, cost of gas sold, and net margin.
4. Documentation showing LER's use of any capacity released to LER by the Laclede Gas Company. The response should include receipt and delivery points, date of use, volumes nominated, and Transportation Service Agreement (TSA) number used to make the nomination.

## ARTICLES OF MERGER

Know All Men by These Presents: That the undersigned Missouri corporations, by authority and approval of the holders of at least two-thirds of the outstanding shares of stock entitled to vote of each corporation merged herein, have entered into, approved, and adopted the following Plan of Merger:

### PLAN OF MERGER

THIS PLAN OF MERGER by and among Laclede Gas Company ("Laclede"), Missouri Natural Gas Company ("MoNat"), St. Charles Gas Corp. ("St. Charles") and Midwest Missouri Gas Company ("Midwest"), all Missouri corporations, for the purpose of setting forth certain terms, conditions and other matters relating to the proposed merger of MoNat, St. Charles and Midwest into Laclede in compliance with the requirements of The General and Business Corporation Law of Missouri as contemplated in the Agreement dated October 1, 1971, among the parties hereto, WITNESSETH THAT:

WHEREAS, the outstanding capital stock of MoNat consists solely of common stock, par value \$2.50 per share, which outstanding capital stock is owned by various individuals and organizations; and

WHEREAS, the outstanding capital stock of St. Charles consists solely of common stock, par value \$5.00 per share, all of which outstanding capital stock is, or by the Merger Date will be, owned by Laclede; and

WHEREAS, the outstanding capital stock of Midwest consists solely of common stock, stated value \$100 per share, all of which outstanding capital stock is owned by MoNat and Laclede;

NOW THEREFORE, the terms of this Plan of Merger are as follows:

### ARTICLE I

#### Parties To and Certain Terms of the Merger

A. MoNat, St. Charles and Midwest shall be merged into Laclede which shall survive the merger and continue its corporate existence thereafter. The term "Surviving Corporation," as used hereinafter, refers to Laclede at and after the time the merger becomes effective (the "Merger Date").

B. No changes in the Articles of Incorporation of the Surviving Corporation are to be effected by the merger. The Articles of Incorporation of Laclede now in effect shall be and, until further amended as provided by law, continue to be the Articles of Incorporation of the Surviving Corporation.

C. The By-Laws of Laclede as in effect immediately prior to the Merger Date shall be and, until amended as therein provided, continue to be the By-Laws of the Surviving Corporation.

D. The members of the Board of Directors of Laclede Gas Company immediately prior to the Merger Date shall constitute the Board of Directors of the Surviving Corporation until their successors shall have been elected and qualified as provided in the By-Laws of the Surviving Corporation, and the officers of Laclede Gas Company in office immediately prior to the Merger Date shall constitute the officers of the Surviving Corporation until their successors shall have been elected and qualified as provided in the By-Laws of the Surviving corporation.

### ARTICLE II

#### Manner and Basis of Converting Shares of Common Stock of MoNat Into Shares of Common Stock of Laclede.

Upon the merger becoming effective:

A. Each issued share of Laclede Preferred Stock, 4.6% Series, Preferred Stock Series B, and Preferred Stock Series C, par value \$25 per share, shall continue to be a share of Preferred Stock of the Surviving Corporation and the certificates representing shares of such stock then issued and outstanding shall continue to be valid certificates therefor.

B. Each issued share of Laclede common stock, par value \$4 per share, shall continue to be a share of common stock of the Surviving Corporation and the certificates representing shares of such stock then issued and outstanding shall continue to be valid certificates therefor.

C. Each two (2) issued and outstanding shares of MoNat common stock, par value \$2.50 per share, shall automatically and without further act be converted into one fully paid and nonassessable share of Laclede common stock, par value \$4 per share. After the Merger Date, the certificates representing all outstanding shares of MoNat common stock shall be surrendered to the Surviving Corporation or any agent designated by it, and upon such surrender the Surviving Corporation shall issue and deliver in substitution therefor a certificate or certificates representing the number of full shares of Laclede common stock, par value \$4 per share, into which such shares of MoNat common stock shall have been converted as aforesaid. The Surviving Corporation shall not issue fractional shares of its common stock. Fractional share interests, if any, created in the merger will be paid in cash on the basis of the average of the high and low prices of Laclede common stock on the New York Stock Exchange on the Merger Date.

D. All outstanding shares of capital stock of St. Charles and Midwest shall be surrendered to the Surviving Corporation and cancelled and no shares of capital stock or other consideration shall be issued in exchange therefor.

### ARTICLE III

Upon the merger becoming effective:

A. Laclede, MoNat, St. Charles and Midwest shall become a single corporation which shall be the Surviving Corporation and which shall continue its corporate existence under the laws of the State of Missouri. The name of the Surviving Corporation shall be Laclede Gas Company.

B. The separate existence of MoNat, St. Charles and Midwest shall cease and the Surviving Corporation shall, without other act or transfer, thereupon and thereafter possess all the rights, privileges, immunities, and franchises as well of a public as of a private nature, of each of the merging corporations; and all property, real, personal, and mixed, and all debts due on whatever account, and all other choses in action, and all and every other interest, of or belonging to or due to each of the corporations so merged, shall be taken and deemed to be transferred to and vested in the single Surviving Corporation without further act or deed; and the title to any real estate, or any interest therein, under the laws of Missouri vested in any of such corporations shall not revert or be in any way impaired by reason of such merger.

C. The Surviving Corporation shall thenceforth be responsible and liable for all the liabilities and obligations of each of the corporations so merged; and any claim existing or action or proceeding pending by or against any of such corporations may be prosecuted to judgment as if such merger had not taken place, or such Surviving Corporation may be substituted in its place. Neither the rights of creditors nor any liens upon the property of any of such corporations shall be impaired by such merger.

### ARTICLE IV

#### Effectiveness of Merger

This Plan of Merger shall be submitted to a vote of the shareholders of Laclede, MoNat, St. Charles and Midwest at meetings of such shareholders. If this Plan of Merger shall, upon such submissions, receive the affirmative votes required for its approval, each of Laclede, MoNat, St. Charles and Midwest shall cause to be prepared Articles of Merger setting forth this Plan of Merger and the circumstances of its adoption and, unless this Plan of Merger shall previously have been abandoned in accordance with the Agreement dated October 1, 1971, among the parties hereto, shall cause such Articles of Merger to be filed with the Secretary of State of Missouri upon a date mutually agreed upon by them. As provided by The General and Business Corporation Law of Missouri, the merger shall become effective upon the issuance by the Secretary of State of Missouri of his Certificate of Merger.

That at a meeting of the shareholders of Laclede Gas Company, held on January 27, 1972, at St. Louis, Missouri, there were 4,143,693 shares outstanding entitled to vote, and the holders of 3,431,472 shares (more than two-thirds) voted in favor of the resolution approving the plan of merger, and the holders of 31,417 shares voted against said plan; that said plan of merger was declared approved by a vote of the holders of more than two-thirds of the shares of Laclede Gas Company. On January 27, 1972, there were outstanding 520,041 shares of \$25 par preferred stock of Laclede Gas Company, none of which was entitled to vote on the merger.

That at a meeting of the shareholders of Missouri Natural Gas Company, held on January 27, 1972, at Farmington, Missouri, there were 396,259 shares outstanding entitled to vote, and the holders of 342,730 shares (more than two-thirds) voted in favor of the resolution approving the plan of merger, and the holders of 12,289 shares voted against said plan; that said plan of merger was declared approved by a vote of the holders of more than two-thirds of the shares of Missouri Natural Gas Company.

That at a meeting of the shareholders of St. Charles Gas Corp., held on January 27, 1972, at St. Louis, Missouri, there were 189,864 shares outstanding entitled to vote, and the holders of 189,864 shares (more than two-thirds) voted in favor of the resolution approving the plan of merger, and the holders of no shares voted against said plan; that said plan of merger was declared approved by a vote of the holders of more than two-thirds of the shares of St. Charles Gas Corp.

That at a meeting of the shareholders of Midwest Missouri Gas Company, held on January 27, 1972, at St. Louis, Missouri, there were 8,625 shares outstanding entitled to vote, and the holders of 8,625 shares (more than two-thirds) voted in favor of the resolution approving the plan of merger, and the holders of no shares voted against said plan; that said plan of merger was declared approved by a vote of the holders of more than two-thirds of the shares of Midwest Missouri Gas Company.

That the effective date of said merger shall be February 29, 1972.

In Witness Whereof, the undersigned have hereunto executed, in triplicate, the aforesaid Articles of Merger, this 4th day of February, 1972.



ATTEST:

[Signature]  
Asst. Secretary

LACLEDE GAS COMPANY

By

[Signature]  
President

MISSOURI NATURAL GAS COMPANY

By

[Signature]  
President

ATTEST:

[Signature]  
Asst. Secretary





ST. CHARLES GAS CORP.

By Christian B. Poper  
President



MIDWEST MISSOURI GAS COMPANY

By Lee M. Liberman  
President

STATE OF MISSOURI )  
 ) SS.  
CITY OF ST. LOUIS )

(On this 4th day of February, 1972, before me,  
appeared Lee M. Liberman, to me personally known, who  
being by me duly sworn did say that he is the President of  
Laclede Gas Company, the Missouri corporation executing the above  
Articles of Merger, and that the seal affixed thereto is the corporate  
seal thereof, and that the statements contained in said instrument  
are true, and he acknowledged he executed the same on behalf of  
said corporation by authority of its Board of Directors and as the  
free act and deed of said corporation.

Lee M. Liberman

In Witness Whereof, and of subscription next above made be-  
fore me, I have hereunto set my hand and seal the day and year before  
written.



My Commission Expires: September 24, 1975

Dorothy Paffrath  
Dorothy Paffrath - Notary Public  
Notary for the County of St. Louis  
which adjoins the City of St. Louis

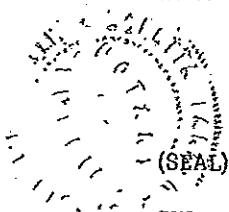
STATE OF MISSOURI )  
 ) SS.  
CITY OF ST. LOUIS )

On this 7th day of February, 1972, before me,  
appeared Joseph H. Grand, to me personally known, who  
being by me duly sworn did say that he is President of  
Missouri Natural Gas Company, the Missouri corporation executing  
the above Articles of Merger, and that the seal affixed thereto is the  
corporate seal thereof, and that the statements contained in said in-  
strument are true, and he acknowledged he executed the same on be-  
half of said corporation by authority of its Board of Directors and as  
the free act and deed of said corporation.

Joseph H. Grand

In Witness Whereof, and of subscription next above made before me, I have hereunto set my hand and seal the day and year before written.

My Commission Expires: August 28, 1975



Loretta M. Tanner  
Notary Public

LORETTA M. TANNER

STATE OF MISSOURI )  
 ) SS.  
CITY OF ST. LOUIS )

On this 8th day of February, 1972, before me, appeared Christian B. Peper, to me personally known, who being by me duly sworn did say that he is the President of St. Charles Gas Corp., the Missouri corporation executing the above Articles of Merger, and that the seal affixed thereto is the corporate seal thereof, and that the statements contained in said instrument are true, and he acknowledged he executed the same on behalf of said corporation by authority of its Board of Directors and as the free act and deed of said corporation.

Christian B. Peper

In Witness Whereof, and of subscription next above made before me, I have hereunto set my hand and seal the day and year before written.

My Commission Expires: July 21, 1973



William L. Nussbaum  
Notary Public  
William L. Nussbaum

STATE OF MISSOURI )  
 ) SS.  
CITY OF ST. LOUIS )

On this 7th day of February, 1972, before me, appeared Lee M. Liberman, to me personally known, who being by me duly sworn did say that he is the President of Midwest Missouri Gas Company, the Missouri corporation executing the above Articles of Merger, and that the seal affixed thereto is the corporate seal thereof, and that the statements contained in said instrument are true, and he acknowledged he executed the same on behalf of said corporation by authority of its Board of Directors and as the free act and deed of said corporation.

Lee M. Liberman

In Witness Whereof, and of subscription next above made before me, I have hereunto set my hand and seal the day and year before written.

My Commission Expires: September 24, 1975



FILED AND CERTIFICATE  
ISSUED

FEB 29 1972

Dorothy Paffrath  
Dorothy Paffrath - Notary Public  
Notary for the County of St. Louis  
which adjoins the City of St. Louis



DEPARTMENT OF REVENUE

STATE OF MISSOURI

JEFFERSON CITY

JAMES E. SCHAFFNER  
DIRECTOR

Franchise Tax Division  
P.O. Box 27

Thomas C. Gilstrap  
Collector of Revenue

January 25, 1972

TO WHOM IT MAY CONCERN

The MIDWEST MISSOURI GAS COMPANY No. 100542  
paid Corporation Franchise Tax for the year 1972 and all prior years.

Yours very truly,

A handwritten signature in cursive script, reading "Nadyne J. Roewe", is written over the typed name.

Nadyne J. Roewe  
Supervisor  
Franchise Tax Division



DEPARTMENT OF REVENUE

STATE OF MISSOURI

JEFFERSON CITY

JAMES E. SCHAFFNER  
DIRECTOR

Franchise Tax Division  
P.O. Box 27

Thomas C. Gilstrap  
Collector of Revenue

January 25, 1972

TO WHOM IT MAY CONCERN

The MISSOURI NATURAL GAS CO. No. 47964  
paid Corporation Franchise Tax for the year 1972 and all prior years.

Yours very truly,

A handwritten signature in cursive script, reading "Nadyne J. Roewe".

Nadyne J. Roewe  
Supervisor  
Franchise Tax Division



DEPARTMENT OF REVENUE

STATE OF MISSOURI

JEFFERSON CITY

JAMES E. SCHAFFNER  
DIRECTOR

Franchise Tax Division  
P.O. Box 27

Thomas C. Gilstrap  
Collector of Revenue

January 25, 1972

TO WHOM IT MAY CONCERN

The ST. CHARLES GAS CORP. No. 75924  
paid Corporation Franchise Tax for the year 1972 and all prior years.

Yours very truly,

A handwritten signature in cursive script, appearing to read "Nadyne J. Roewe".

Nadyne J. Roewe  
Supervisor  
Franchise Tax Division

# MERGER WORKSHEET

Survivor's Name

Minimum Stated Capital

Laclede Gas Company (42501)

	Class A Common	Class B Common	Preferred	Other
Authorized	7,133,620 @ \$4.00		1,480,000 @ \$25	(redline)
Outstanding	4,143,693			1/24/12
Un-Issued	3,119,927			11-10-12

Merging Company "A"

Minimum Stated Capital

Missouri Natural Gas Company (47964)  
100 @ \$10.00 = \$1,000

	Class A Common	Class B Common	Preferred	Other
Authorized	450,000 @ \$2.50			
Outstanding	394,259			11-10-12

Merging Company "B"

Minimum Stated Capital

St. Charles Gas Corp. (15924)  
5 @ \$100 = \$500

	Class A Common	Class B Common	Preferred	Other
Authorized	300,000 @ \$5			
Outstanding	189,864			11-10-12

Merging Company "C"

Minimum Stated Capital

Midwest Missouri Natural Gas Co. (100542)  
100 @ \$10 = \$1,000

	Class A Common	Class B Common	Preferred	Other
Authorized	101,000 @ N.P.			
Outstanding	8,625			

Merging Company "D"

Minimum Stated Capital

	Class A Common	Class B Common	Preferred	Other
Authorized				
Outstanding				

CONVERSION OF SHARES

Unissued shares of Survivor

3,119,927

Issued shares of Merging "A" 396,259

Number of Survivor's Shares to  
be issued for each share of "A" X 1/2

Survivor Shares to be used 198,129

Sub-Total Unissued shares of Survivor

198,129.5

2,921,798

Issued shares of Merging "B" \_\_\_\_\_

*Cancelled*  
Number of Survivor's Shares to  
be issued for each share of "B" X \_\_\_\_\_

Survivor Shares to be used \_\_\_\_\_

Sub-Total Unissued shares of Survivor

*Cancelled*  
Issued shares of Merging "C" \_\_\_\_\_

Number of Survivor's Shares to  
be issued for each share of "C" X \_\_\_\_\_

Survivor Shares to be used \_\_\_\_\_

Sub-Total Unissued shares of Survivor

Issued shares of Merging "D" \_\_\_\_\_

Number of Survivor's Shares to  
be issued for each share of "D" X \_\_\_\_\_

Survivor Shares to be used \_\_\_\_\_

Sub-Total Unissued shares of Survivor



No. 42501



# STATE of MISSOURI

JAMES C. KIRKPATRICK, Secretary of State

## Corporation Department

### Certificate of Merger— Missouri Corporation Surviving

WHEREAS, Articles of Merger of the following corporations: MISSOURI NATURAL GAS COMPANY (47964), ST. CHARLES GAS CORP. (75924) and MIDWEST MISSOURI GAS COMPANY (100542) Into: LACLEDE GAS COMPANY

Organized and Existing Under Laws of Missouri

have been received, found to conform to law, and filed.

NOW, THEREFORE, I, JAMES C. KIRKPATRICK, Secretary of State of the State of Missouri, issue this Certificate of Merger, certifying that the merger of the aforementioned corporations is effected, with LACLEDE GAS COMPANY  
as the surviving corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the GREAT SEAL of the State of Missouri, at the City of Jefferson, this 29th day of February, 1972.

*James C. Kirkpatrick*  
Secretary of State

Deputy Secretary of State

RECEIVED OF: LACLEDE GAS COMPANY

Three and no/100----- Dollars, \$ 3.00

For Credit of General Revenue Fund, on Account of Amendment Fee

No. 42501

*Dorothy M. Miller*  
Deputy Collector of Revenue

E1

**FISCHER & DORITY**  
PROFESSIONAL CORPORATION

Attorneys at Law  
Regulatory & Governmental Consultants

James M. Fischer  
Larry W. Dorthy

101 Madison, Suite 400  
Jefferson City, MO 65101  
Telephone: (573) 636-0768  
Fax: (573) 636-0383

July 9, 2001

FILED<sup>3</sup>

JUL 09 2001

Missouri Public  
Service Commission

Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
200 Madison Street, Suite 100  
P.O. Box 360  
Jefferson City, Missouri 65102

RE: *In the Matter of the Application of Laclede Gas Company for an Order Authorizing  
Its Plan to Restructure Itself Into a Holding Company, Regulated Utility Company,  
and Unregulated Subsidiaries, Case No. GM-2001-342*

Dear Mr. Roberts:

Enclosed are the original and eight (8) copies of the fully executed Unanimous Stipulation and Agreement for filing in the above-referenced matter. A copy of the foregoing Unanimous Stipulation and Agreement has been hand-delivered or mailed this date to each party of record.

Thank you for your attention to this matter.

Sincerely,

*James M. Fischer*  
James M. Fischer

/s/  
Enclosures

cc: Michael C. Pendergast  
Douglas E. Micheel  
Dan K. Joyce  
Cliff Snodgrass  
Jan Bond  
Robert C. Johnson  
Gerald T. McNeive, Jr.



JAMES C. KIRKPATRICK, Secretary of State

## INFORMATION MUST BE TYPEWRITTEN OR PRINTED

NAMES AND ADDRESSES (City and Street) OF BOARD OF DIRECTORS

REGISTRATION BLANK (Original—Mail This)

DO NOT WRITE IN THIS SPACE

Name (SEE LIST ATTACHED)

Address

Name

Address

Name

Address

Name

Address

Name

Address

The name of the corporation is Laclede Gas CompanyThe address of its registered office in Missouri is  
1017 Olive St., St. Louis, Mo. 63101State of MISSOURI  
City of ST. LOUIS ss.I, David L. Gardner, Secretary/Ass't Treasurer

do solemnly swear that the above statement is true to the best of my knowledge and belief.

OFFICER  
SIGN HERESubscribed and sworn to before me, this 28th day of May, A. D. 1969

WITNESS my hand and official seal the date last aforesaid.

NOTARY  
SIGN HERE

Notary Public.

(Commissioned and qualified for a term expiring September 24, 1971)Notary for the County of St. Louis  
which adjoins the City of St. Louis

SECRETARY OF STATE

REGISTRATION FEES.—The total fee for filing Annual Registration Report and Anti-Trust Affidavit for June and July is \$10.00; total fee for filing reports in August, \$15.00; total fee for filing reports in September, \$25.00; total fee for filing reports in October, \$30.00; total fee for filing reports in November, \$35.00; total fee for filing reports in December, \$40.00.

## ANTI-TRUST AFFIDAVIT

This affidavit should be filed on or immediately after July 1st.

To the Secretary of the State of Missouri:

In compliance with the provisions of Sections 351.135, and 351.525 of The General and Business Corporation Act of Missouri, we make the following affidavit:

State of MISSOURICity of ST. LOUISI, David L. Gardner  
(President, Vice-President, Secretary or Treasurer)

(Secretary and

do solemnly swear that I am the Ass't Treasurer  
(President, Vice-President, Secretary or Treasurer)of the corporation known and styled Laclede Gas Company, duly incorporated under the laws ofMissouri2ndday of March, 1857

and now transacting or conducting business in the State of Missouri, and that I am duly authorized to represent said corporation in the making of this affidavit. And I do further

swear that the said David L. Gardner is not now, and has not at any time within one year from the date of this affidavit, created, entered into, become a member of, or participated in any pool, trust, agreement, combination, confederation, or understanding with any other corporation, partnership, individual, or any other person or association of persons, to regulate or fix the price of any article of manufacture, mechanism, merchandise, commodity, convenience, repair, any product of mining, or any article or thing whatsoever, or the price or premium to be paid for insuring property against loss or damage by fire, lightning or storm; and that it has not entered into or become a member of or a party to any pool, trust, agreement, contract, combination or confederation to fix or limit the amount or quantity of any article of manufacture, mechanism, merchandise, commodity, convenience, repair, any product of mining, or any article or thing whatsoever, or the price or premium to be paid for insuring property against loss or damage by fire, lightning or storm; and that it has not issued and does not own any trust certificates, and for any corporation, agent, officer or employee, or for the directors or stockholders of any corporation, has not entered into and is not now in any combination, contract or agreement with any person or persons, corporation, or corporations, or with any stockholder or director thereof, the purpose and effect of which said combination, contract or agreement would be to place the management or control of such combination or combinations, or the manufactured product thereof, in the hands of any trustee or trustees, with the intent to limit or fix the price or lessen the production and sale of any article of commerce, use or consumption, or to prevent, restrict or diminish the manufacture or output of any article; and that it has not made or entered into any arrangement, contract or agreement with any person, association of persons or corporation designed to lessen, or which tends to lessen, full and free competition in the importation, manufacture or sale of any article, product or commodity in this State, or under the terms of which it is proposed, stipulated, provided, agreed or understood that any particular or specified article, product or commodity shall be dealt in, sold or offered for sale in this State, to the exclusion, in whole or in part, of any competing article, product or commodity, providing that nothing in this affidavit shall be interpreted as interfering with any corporation's right to Fair Trade products in any other state or any place where such practice is legal.OFFICER  
SIGN HERE

(President, Vice-President, Secretary or Treasurer)

Subscribed and sworn to before me, a Notarywithin and for the County of St. Louis this28th day of May, 1969My term expires September 24, 1971.

SECRETARY OF STATE

NOTARY  
SIGN HERE

Notary Public.

FAILURE TO FILE EITHER OR BOTH OF THE ABOVE REPORTS ON OR BEFORE DECEMBER 31ST WILL RESULT IN FORFEITURE OF CHARTER

Notary for the County of St. Louis  
which adjoins the City of St. Louis

FORM MUST BE NOTARIZED TWO PLACES

### BOARD OF DIRECTORS

A. H. Burgess	1017 Olive St., St. Louis, Mo.	Director and Vice Chairman of the Board
M. R. Chambers	1509 Washington Ave., St. Louis, Mo.	Director
H. R. Derrick	1017 Olive St., St. Louis, Mo.	Director and Chairman of the Board and President
Morris E. Feiwell	33 No. La Salle St., Chicago, Ill.	Director
Russell E. Gardner, Jr.	506 Olive St., St. Louis, Mo.	Director
Robert W. Otto	50 Portland Pl., St. Louis, Mo.	Director
A. Wessel Shapleigh	23 Fordyce Lane, St. Louis, Mo.	Director
John P. Stupp	P.O. Box 6600, Lemay Sta. St. Louis, Mo.	Director
Harold E. Thayer	3600 No. Second St., St. Louis, Mo.	Director

### OFFICERS

H. Reid Derrick	Chairman of the Board and President
A. H. Burgess	Vice Chairman of the Board
George R. Hays	Senior Vice President
R. F. Hebeler	Vice President-Operations
L. M. Liberman	Executive Vice President
D. L. Gardner	Secretary and Assistant Treasurer
C. M. Rainey	Treasurer and Assistant Secretary
J. P. Cummings	Assistant Vice President
C. L. Digiovanni	Assistant Vice President

All of 1017 Olive St., St. Louis, Mo.

not object to the Commission granting the relief requested by the Company in its Verified Application.

**SECTION III**  
**FINANCIAL CONDITIONS**

1. The Laclede Group, Inc. represents that it does not intend to take any action that has a material possibility of having a detrimental effect on Laclede Gas Company's utility customers, but agrees that, should such detrimental effects nevertheless occur, nothing in the approval or implementation of the Proposed Restructuring shall impair the Commission's ability to protect such customers from such detrimental effects.

2. ~~Laclede Group, Inc. will not pledge Laclede Gas Company's common stock as collateral or security for the debt of the Holding Company or a Subsidiary without Commission approval.~~

3. Laclede Gas Company will not guarantee the notes, debentures, debt obligations or other securities of the Holding Company or any of its subsidiaries, or enter into any "make-well" agreements without prior Commission approval.

4. The Laclede Group, Inc. agrees to maintain consolidated equity of no less than 30 percent of its total permanent consolidated capitalization and Laclede Gas Company agrees to maintain its equity at no less than 35% of its total capitalization, unless they are unable to do so due to events or circumstances beyond their control, including, but not limited to, acts of God, war, insurrection, strikes, civil unrest, material changes in market conditions that could not have been reasonably anticipated, or changes in the application, character or impact of laws, taxing requirements, regulations, or regulatory practices and standards governing the Company's regulated operations. Total capitalization is defined as common equity, preferred stock, long-term debt, and short-

1           You know, on the other hand, I'm concerned that  
2   Mr. Thompson's, you know, standard is, you know, somewhat  
3   -- you know, we want to -- I mean, this -- and,  
4   Mr. Thompson, I want to hear what you have to say about  
5   this.

6           But, I mean, certainly, it seems like if you  
7   want to ensure that Laclede got the, quote, best price on  
8   the gas at the time, I mean, to my -- that just seems --

9           MR. THOMPSON: I may have misspoken when I said  
10   best.

11          COMMISSIONER DAVIS: Okay.

12          MR. THOMPSON: Reasonable. Fair. We  
13   understand, as Mr. Pendergast said, LER wouldn't sell the  
14   gas to Laclede if there wasn't some markup. I understand  
15   that. I think Staff understands that.

16          The question is, how much markup? And -- and  
17   our concern is not with the actions of LER, but with the  
18   actions of Laclede. In other words, did they -- did they  
19   buy gas from LER where they should have gone out and  
20   sought gas elsewhere because a reasonable price would be  
21   lower, significantly lower? That's all. And to know  
22   that, we have to know what LER was obtaining the gas for.

23          COMMISSIONER DAVIS: I --

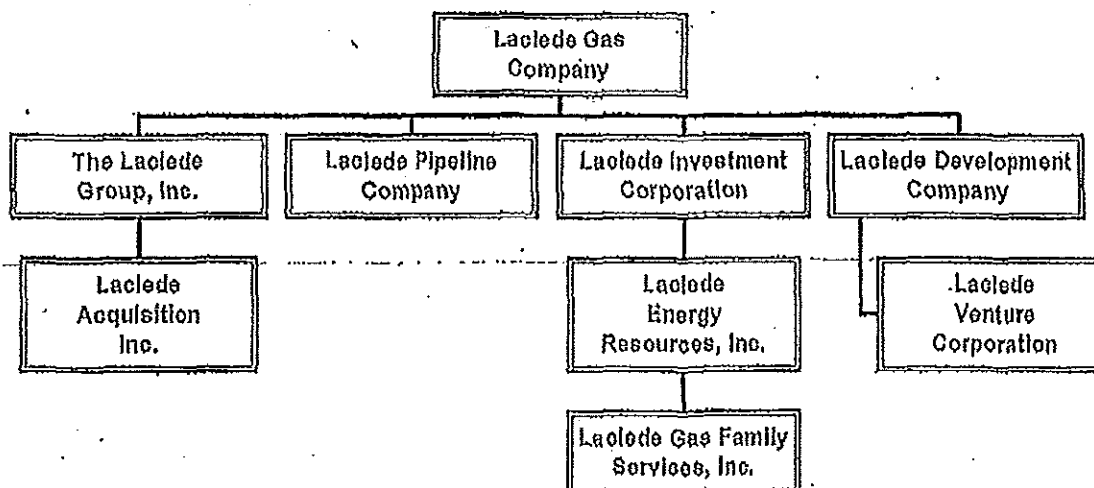
24          Mr. ZUCKER: Commissioner Davis, that is not the  
25   complaint that they have filed.

**SECTION I**  
**BACKGROUND**

1. On December 1, 2000, Laclede filed a Verified Application with the Commission in which it requested that the Commission issue an Order authorizing the Company to restructure itself into a holding company, regulated utility company and unregulated subsidiaries (hereinafter "the Proposed Restructuring").

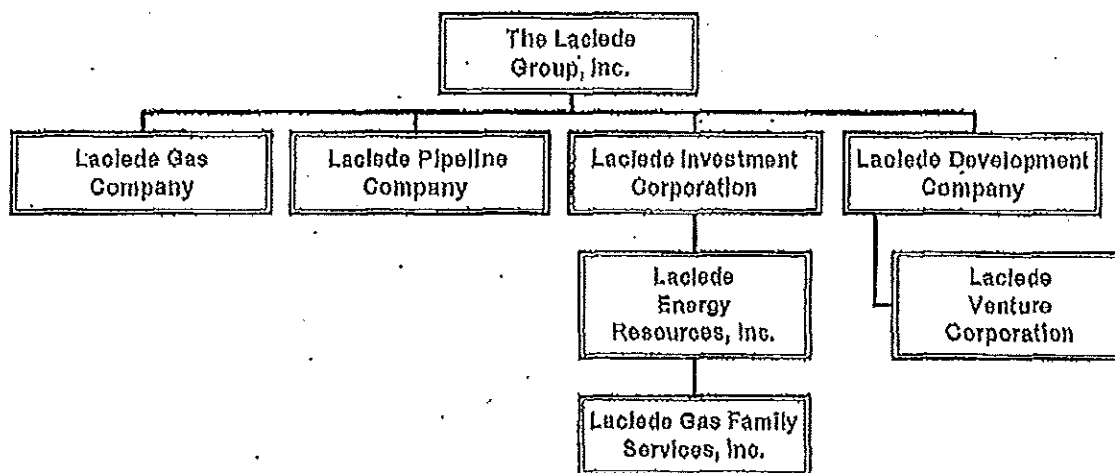
2. As described in that Verified Application, under its present corporate structure, Laclede Gas Company is the parent corporation of a number of unregulated subsidiaries, including Laclede Development Company, which has its own subsidiary Laclede Venture Corp.; Laclede Investment Corporation, which has two subsidiaries, Laclede Energy Resources, Inc. and Laclede Gas Family Services, Inc.; and Laclede Pipeline Company. Laclede has also created two other subsidiaries, The Laclede Group, Inc., and its subsidiary, Laclede Acquisition Inc., to facilitate the Proposed Restructuring. The organization chart presented below shows Laclede's present corporate structure:

**Present Corporate Structure**



3. Upon completion of the Proposed Restructuring, The Laclede Group, Inc. would become the parent holding company. Laclede Gas Company and the remaining unregulated subsidiaries would, in turn, become separate and independent subsidiaries of The Laclede Group, Inc. This Proposed Restructuring would be accomplished pursuant to a procedure commonly known as a "Reverse Triangular Merger." Under that procedure, Laclede Acquisition Inc. would be merged into Laclede Gas Company. Upon completion of the merger, Laclede Acquisition Inc. would no longer exist. The Laclede Group, Inc. would then hold all of the common stock of Laclede Gas Company as well as the other subsidiaries. The Organizational Chart presented below depicts this structure that would be in place following the Proposed Restructuring.

#### Proposed Corporate Structure



4. As discussed in the Verified Application, the Proposed Restructuring does not involve the transfer of any utility assets currently owned by Laclede Gas Company or any change in the terms and conditions of the regulated utility services provided by Laclede.



STATE OF MISSOURI     )  
                          ) SS.  
COUNTY OF ST. LOUIS )

7

IN THE CIRCUIT COURT OF THE COUNTY OF ST. LOUIS  
STATE OF MISSOURI

CENTRAK PROTECTIVE SYSTEMS, INC.,     )  
a Missouri Corporation,                 )  
  )  
Plaintiff,                                 )  
  )  
vs.   )  
  )  
EMPIRE ALARMS, INC., d/b/a               )  
LACLEDE GAS SECURITY SYSTEMS, INC.       )  
  )  
Defendant.                                 )

Cause No. 374945  
Div No. \_\_\_\_\_

COUNT I

PETITION FOR INJUNCTIVE RELIEF

1. Plaintiff is a Missouri corporation duly existing according to law.
2. Defendant is a Missouri corporation doing business as Laclede Gas Security Systems, Inc. and a subsidiary of Laclede Investment Company which is in turn a subsidiary of Laclede Gas Company. Defendant's main business office is located at 6108 Madison, St. Louis County, Missouri, and its General Manager at said location is Gary Durham.
3. Both plaintiff and defendant are engaged in the installation of fire and burglar alarms and monitoring within the St. Louis Metropolitan area; that as such, they are in direct competition with each other.
4. That Laclede Gas Company, the parent corporation of defendant is a regulated gas utility sanctioned by the State of Missouri holding a franchise and a Certificate of Convenience and Necessity to supply natural gas within the Metropolitan St. Louis area; that Laclede Gas Company operates as a monopoly in the gas utility business.
5. That Laclede Gas Security Systems, Inc. has and is engaged in unfair competition in the following manner:
  - (a) That in August of 1972, two years after being purchased by Laclede Investment Company, Empire Alarms, Inc.

commenced doing business under the fictitious name of Laclede Gas Security Systems, Inc.; that the use of such name was and is calculated to and has deceived or confused the public in that the name Laclede Gas has acquired a significance by right of the Missouri Public Service Commission as a protected and regulated utility thereby causing the public to have confidence and faith in the name of "Laclede Gas";

(b) That Laclede Gas Security Systems, Inc. has solicited subscribers to its alarm services through utility bills of Laclede Gas Company, thus using a media of advertising which cost is borne by the general public through the payment of regulated gas rates;

(c) That it has advertised that alarm fees can be paid along with Laclede Gas Company utility bills creating a convenience of billing and payment not available to other alarm companies, all of which is only available as a direct result of the franchises and certificates granted to Laclede Gas Company;

(d) That the Board of Directors of Laclede Gas Security Systems, Inc is substantially the same as the Board of Directors of Laclede Gas Company; that its officers are substantially the same as Laclede Gas Company, all of which gives the defendant a competitive advantage in management knowledge and guidance which is aided, supervised, and guided by the Missouri Public Service Commission through its policy of requiring efficient management techniques of public utilities regulated by the Missouri Public Service Commission;

(e) That the financing and capitalization of the defendant has been directly or indirectly by Laclede Gas Company whose existence is assured by the Missouri Public Service Commission allowing a profitable rate of return through regulated gas rates;

(f) As a subsidiary of a monopolistic gas utility, it has newer and more available information as to commercial and industrial development in the St. Louis Metropolitan area, such first hand knowledge being valuable and important to the survival of a fire and burglar alarm business.

WHEREFORE, plaintiff prays that the Court permanently enjoin the defendant from the use of the name "LACLEDE GAS SECURITY SYSTEMS, INC." or from any name related to Laclede Gas; from the use of interlocking-directorates and officers with Laclede Gas Company; from the use of Laclede Gas Company or Laclede Investment Company as a source of finances and from the use of information, advertising, or billing resources of or associated with Laclede Gas Company; for plaintiff's attorney fees herein and its costs, and for such other orders as this Court may deem necessary.

COUNT II

1. Plaintiff incorporates by reference Paragraph "1, 2, 3 and 4" of Count I of Plaintiff's Petition.

2. That Laclede Gas Company, Laclede Gas Investment Company, and Laclede Gas Security Systems, Inc. have interlocking directorates and interlocking officers so that there is no differentiation between officers or directors.

3. That Laclede Gas Security Systems, Inc. has used the billing and advertising media of Laclede Gas Company.

4. That Laclede Gas Company, Laclede Gas Investment Company, and Laclede Gas Security Systems, Inc. have its main offices within the same quarters.

5. That Laclede Gas Company, Laclede Gas Investment Company, and Laclede Gas Security Systems, Inc. have common source of funds, advancements, and finances, either directly or indirectly.

6. That as a result of the aforesaid, Laclede Gas Security Systems, Inc. and Laclede Gas Company, a regulated utility, have not so conducted their operations as to be substantially kept separate and apart.

WHEREFORE, plaintiff prays for this Court to declare that "LACLEDE GAS SECURITY SYSTEMS, INC.", a subsidiary of Laclede Gas Investment Company, which in turn is a subsidiary of Laclede

Gas Company, a regulated gas utility, has not so conducted its operations so as to be substantially kept separate and apart from the owning, operation and management of Laclede Gas Company, and because of such, is subject to the jurisdiction of the Missouri Public Service Commission as provided for in R.S.Mo. 393.140, (12); that defendant pay the court costs herein; and for such other relief as this Court may deem necessary and proper under the circumstances.

COUNT III

1. Plaintiff incorporates by reference Paragraphs "1, 2, 3, 4 and 5" of Count I of Plaintiff's Petition.
2. That Laclede Gas Security Systems, Inc., because of the aforesaid unfair competition, has managed to contract with all the banks within the City of St. Charles, undercutting Plaintiff's bid substantially.
3. Laclede Gas Security Systems, Inc. has underbid Plaintiff repeatedly within the City of St. Louis and the County of St. Louis so that Plaintiff has lost contracts because of its inability to meet the unreasonably low bids by Defendant.
4. Because of the aforesaid, Plaintiff has been damaged in the sum of Twenty-Five Thousand (\$25,000.00) Dollars from loss of income and profit as a result of the unfair competition of the Defendant.

WHEREFORE, Plaintiff prays that the Court declare that the Defendant is unfairly competing because of its association and financing by a regulated utility and that the Court award to the Plaintiff the sum of Twenty-Five Thousand (\$25,000.00) Dollars for its damages as stated herein and for such other orders as this Court may deem necessary and proper under the circumstances.

COUNT IV

1. Plaintiff incorporates by reference Paragraphs "1, 2, 3, 4 and 5" of Count I of Plaintiff's Petition.

2. Plaintiff incorporates by reference Paragraphs "2, 3, 4, 5, and 6" of Count II of Plaintiff's Petition.

3. That Plaintiff has a property right to fairly compete for customers within its market area.

4. That the Defendant through its conducts as heretofore alleged has illegally deprived and taken from Plaintiff that property right in violation of Plaintiff's constitutional privileges granted in Article I, Section 28, Missouri Constitution. That this illegality has been perpetrated under auspices of the Missouri Public Service Commission in allowing the parent corporation of the Defendant to fund, manage, and otherwise direct the activities of the Defendant.

5. That the Defendant through its parent corporation, Laclede Gas Company, has thus used the public utilities privilege to the disadvantage of Plaintiff, and that the Public Service Commission has not attempted to regulate the Defendant, and by its regulation of Laclede Gas Company, it has proven to be inadequate and insufficient to reverse the abuse so perpetrated since 1972.

WHEREFORE, Plaintiff prays that the Court dissolve and liquidate the Defendant corporation by judicial sale to the highest bidder or bidders and for such other orders as to this Court may seem meet and just.

**FILED**

NOV 12 1975

RAYMOND V. CLIFFORD  
CIRCUIT CLERK, ST. LOUIS COUNTY

BRUERE AND ROLLINGS

374945

BY:

*Keith W. Hazelwood*  
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St. Charles, Missouri 63301  
946-6086

\$65.00  
DEPOSIT  
6.00 FILING FEE  
\$71.00 TOTAL

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