

Memorandum

570.0510

To: Mr. William D. Dunn

Date: April 7, 1978

From: Gary J. Jugum

Subject: T--- M--- S--- Inc.

No Permit

First Functional Use

We are in agreement with the position stated in your memorandum of February 27, 1978, to Mr. D--- A--- concerning the referenced account. If a lessor of a vessel were to transport the vessel by its own power into California in order to lease it to any lessee he could find, the first functional use would be in California. However, if the vessel were transported by its own power into California in order to fulfill delivery to a specific lessee, the first functional use would be outside California.

j:alicetilton