

Decision No. 10840

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
BAY TRANSPORT COMPANY, a corporation, )  
for a permit authorizing it to issue )  
shares of its capital stock. )

Application Number 7276.

ORIGINAL

T. T. C. Gregory, for Applicant.

MARTIN, COMMISSIONER:SECOND SUPPLEMENTAL OPINION

BAY TRANSPORT COMPANY, in its third supplemental petition filed in the above entitled matter on July 28, 1922, asks for permission to issue, at par, \$31,000.00 of its capital stock for the purpose of reimbursing its treasury on account of earnings used to acquire property and to pay indebtedness.

By Decision Number 9812, dated November 26, 1921, the Commission authorized applicant to issue not exceeding \$77,500.00 of common stock and to assume the payment of not exceeding \$207,562.93 of indebtedness, all in payment for certain steamers, launches and tug boats. To complete the transaction, the company found it necessary to issue \$76,000.00 of stock and to assume the payment of indebtedness aggregating \$201,141.02. Thereafter, pursuant to supplemental orders in this proceeding, applicant issued \$93,000.00 additional of stock to reimburse its treasury for surplus earnings used prior to April 30, 1922, to acquire properties and to pay indebtedness.

It is now reported that from April 30, 1922 to June 30, 1922, the company's net earnings amounted to approximately \$31,000.00. Of this amount, it appears that \$18,563.54 was used to pay indebtedness, thereby increasing the stockholders' equity, and \$12,563.61 was used to acquire properties and assets. Because its surplus earnings were used for these purposes, applicant now asks permission to issue \$31,000.00 of stock.

I submit the following form of order:-

THIRD SUPPLEMENTAL ORDER

BAY TRANSPORT COMPANY, having applied to the Railroad Commission for permission to issue stock, a public hearing having been held and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required by applicant,

IT IS HEREBY ORDERED that Bay Transport Company be, and it is hereby, authorized to issue at par on or before September 30, 1922, an additional \$31,000.00 of its common capital stock to reimburse its treasury on account of surplus earnings used prior to June 30, 1922, to acquire properties and to pay indebtedness,

PROVIDED, that Bay Transport Company keep such record of the issue and sale of the stock herein authorized and of the disposition of the proceeds as will enable it to file, on or before the 25th day of each month, a verified report, as required by the Railroad Commission's General Order No. 24, which order in so far as applicable, is made a part of this order.

IT IS HEREBY FURTHER ORDERED that the order in Decision Number 9812, dated November 26, 1921, as amended, shall remain in full force and effect, except as modified by this Third Supplemental

Order.

The foregoing Second Supplemental Opinion and Third Supplemental Order are hereby approved and ordered filed as the Second Supplemental Opinion and Third Supplemental Order of the Railroad Commission of the State of California.

DATED at San Francisco, California, this 10<sup>th</sup> day of August, 1922.

H. B. Anderson  
During Matton  
Chas. H. Fawcett  
J. J. Donahue

Commissioners.