

HS

ORIGINAL

Decision No. 11281.

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA

In the Matter of the Application of)
VERDUGO HILLS TRANSPORTATION COMPANY)
for an order authorizing the issue of)
\$25,000.00 of common capital stock.)

Application No. 8363.

N.C. Folsom for applicant.

BY THE COMMISSION:

O R D E R

VERDUGO HILLS TRANSPORTATION COMPANY asks permission to issue and sell, at not less than 80 per cent. of its par value \$25,000.00 of common capital stock and use the proceeds to pay indebtedness incurred on account of the purchase of automobile equipment and acquire additional automobile equipment. A hearing was had on this matter before Examiner Williams in Los Angeles on November 17th.

Applicant is engaged in the business of transporting passengers and express packages for compensation by auto stage between Los Angeles and Sunland and intermediate points.

By Decision No. 10455, dated May 13, 1922, the Railroad Commission authorized Verdugo Hills Transportation Company to issue to A.J. Richardson \$30,980.00 par value of common stock in payment for automobile equipment and other properties.

It is of record that applicant has recently purchased two new Republic truck chassis and equipped them with bus bodies, each having a seating capacity of 21 including the driver. If seats are placed in the aisle, the seating capacity of each car is increased to thirty. Applicant asks permission

to use \$8,500.00 of the proceeds from the sale of the stock to pay for the two auto stages. It further requests permission to use \$11,500.00 of the proceeds to acquire additional equipment. Inasmuch as the Commission has not been furnished with accurate information showing the cost of the additional equipment, the order herein will provide that the \$11,500.00 may be expended only for such purposes as the Railroad Commission may hereafter authorize.

The Commission has considered applicant's request and believes that it is necessary for applicant to purchase additional equipment and that this application should be granted as herein provided.; therefore--

IT IS HEREBY ORDERED, that the VERDUGO HILLS TRANSPORTATION COMPANY be, and it is hereby, authorized to issue and sell on or before April 1, 1923, for cash, at not less than 80 per cent. of its par value net to applicant, \$25,000.00 par value of common stock.

The authority herein granted is subject to further conditions as follows:

- 1.--Of the proceeds realized from the sale of the stock herein authorized, applicant may use not exceeding \$8,500.00 for the purpose of paying the notes and accounts payable set forth in "Exhibit B" filed in this proceeding.
- 2.--The remainder of the proceeds realized from the sale of the stock, amounting to at least \$11,500.00, may be expended only for such purposes as the Railroad Commission may authorize by supplemental order or orders.

3.--Verdugo Hills Transportation Company shall 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.

DATED at San Francisco, California, this 27th
day of November, 1922.

W. H. Lundege
Frederic Martin
Charles H. Brown
J. F. Hendrix

Commissioners.