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Decision No. 2972.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 FRED WALKER, J.E. ANDERSON, H.M.)
 THOMPSON, HARRY POWELL, OSCAR LEE)
 and)
 BAY CITIES TRANSIT COMPANY,)
 a corporation, for an order authori-)
 zing the issuance of stock by the)
 Corporation, BAY CITIES TRANSIT COMPANY)
 for rolling stock, equipment and acces-)
 series.)

ORIGINAL

Application No. 7415.

Robert E. Abbott for applicants.

BY THE COMMISSION:

O P I N I O N

In this application as amended at the hearing, the Railroad Commission is asked to make an order authorizing the BAY CITIES TRANSIT COMPANY to issue \$18,750.00 of capital stock in payment for automobile equipment, machinery, materials and supplies.

A hearing was had on this application before Examiner Williams at Los Angeles on December 30th.

Bay Cities Transit Company was organized on or about August 25, 1921, with an authorized stock issue of \$50,000.00, divided into 50,000 shares of \$1.00 each. The Commission has heretofore authorized applicant to issue 5 shares of stock to qualify directors.

In its original application, applicant asked permission to issue \$19,750.00 of stock to the following parties:-

Fred Walker,	\$6,250.00
H.M. Thompson,	6,250.00
J.E. Anderson,	6,250.00
Harry Powell and Oscar Lee	1,000.00
Total,	<u>\$19,750.00</u>

The record shows that the automobile which Harry Powell and Oscar Lee had intended to turn over to applicant in exchange for \$1,000.00 of

stock has since the filing of the application been acquired by J.E. Anderson and that Harry Powell and Oscar Lee are no longer interested in this application. The automobile acquired by J.E. Anderson from Harry Powell and Oscar Lee will not be sold to the Bay Cities Transit Company, and therefore, the amount of stock which the company asks permission to issue was reduced from \$19,750.00 to \$18,750.00.

As said, applicant intends to issue \$6,250.00 of its stock to Fred Walker, \$6,250.00 to H.M. Thompson and \$6,250.00 to J. E. Anderson. This stock will be delivered to the persons mentioned in full payment for the following automobile equipment and accessories:

Fred Walker Equipment:

One 1921 Reo Automobile, 22 HP 20 seating capacity,...	\$1,400.00
One 1920 Reo Automobile, 22 HP 20 seating capacity, ..	1,400.00
One 1921 Reo Automobile, 22 HP 10 seating capacity, ..	1,325.00
One 1921 Reo Automobile, 22 HP 10 seating capacity, ..	1,325.00
One 1919 Dodge Automobile, 24 HP 10 seating capacity, ..	800.00
Total,	\$6,250.00

H.M. Thompson Equipment:

One 1920 Reo Automobile, 22 HP 20 seating capacity, ..	\$1,400.00
Six 1919 Dodge Automobiles, all 22 HP, 10 seating capacity at \$800.00 each,	4,800.00
Accessories,	50.00
Total,	\$6,250.00

J.E. Anderson Equipment:

Six Dodge Automobiles, 24 HP 10 seating capacity, at \$800.00 each,	\$4,800.00
One 550 gal. Gas Tank, and	
One 5-gal. Pump,	600.00
One air Compressor,	225.00
One Trimmer Sewing Machine,	85.00
One Auto Body,	250.00
One Electric Drill,	175.00
Tools,	115.00
Total,	\$6,250.00

It appears from the testimony that the parties to whom applicant will issue its stock intend to hold such stock as an investment and that they will remain in active charge of the management of applicant's business.

O R D E R

BAY CITIES TRANSIT COMPANY having applied to the Railroad Commission for permission to issue \$18,750.00 of its capital stock for the purpose of acquiring automobile equipment and accessories, a public hearing having been held and the 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 CITIES TRANSIT COMPANY be, and it is hereby, authorized to issue on or before March 1, 1922, \$18,750.00 of its capital stock for the purpose of acquiring the automobile equipment and accessories described in the foregoing opinion and in this application, -said stock to be issued to Fred Walker, H.M. Thompson and J.E. Anderson in full payment for their automobile equipment and accessories described in this application,

PROVIDED they deliver to said Bay Cities Transit Company said automobile equipment and accessories free and clear of all encumbrances; and

PROVIDED FURTHER that Bay Cities Transit Company will keep such record of the issue, sale and delivery 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 6th day of January, 1922.

H. B. Sandberg
H. J. Howard
W. J. Price
W. J. Woodruff
COMMISSIONERS