

Decision No. 33528

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of
the Supplemental Application of
CALIFORNIA MILK TRANSPORT, INC. } Application No. 19161
to Issue Stock. }

BY THE COMMISSION:

ORIGINAL

SECOND SUPPLEMENTAL ORDER

California Milk Transport, Inc. has applied to the Railroad Commission for an order authorizing it to issue 1938 shares of its capital stock, without par value, in exchange for 646 shares of capital stock, without par value, now outstanding.

It appears that heretofore under the authority granted by Decision No. 26535, dated November 20, 1933, and Decision No. 32147, dated June 30, 1939, the company issued 646 shares of its capital stock, without par value, in payment for properties and for other purposes and that it recorded such shares in its books at \$100 a share, making a total of \$64,600.⁽¹⁾

The company has concluded that it will be to its advantage to increase the number of shares of stock so as to reduce the stated value of each share outstanding, and to that

(1) In summary form the company's balance sheet as of September 30, 1940 may be stated as follows:

<u>ASSETS</u>	
Real estate, equipment and other investments	\$259,174.80
Cash	23,229.80
Other current assets	43,101.66
Total assets	<u>\$325,506.26</u>
<u>LIABILITIES</u>	
Current liabilities	\$ 14,196.03
Reserve for depreciation	152,527.77
Capital stock	64,600.00
Surplus and undivided profits	94,182.46
Total liabilities	<u>\$325,506.26</u>

end it proposes to issue to its present stockholders three shares for each share now held by them.

The Commission has considered this matter and is of the opinion that the request of the company may be granted as herein provided, that the money, property or labor to be procured or paid for through the issue of the stock herein authorized is reasonably required for the purpose specified herein and that the expenditures for said purpose are not, in whole, or in part, reasonably chargeable to operating expenses or to income, therefore

IT IS HEREBY ORDERED that California Milk Transport, Inc. be, and it hereby is, authorized to issue, twenty (20) days after the date hereof and on or before December 31, 1940, 1938 shares of its capital stock, without par value, in exchange for 646 shares of its capital stock, without par value, now outstanding, such exchange to be made on the basis of three shares of the stock herein authorized for one share of the stock now outstanding, provided:

1. That if applicant issues said 1938 shares of stock, it record the same on its books at a stated value of not less than \$64,600;
2. That the expense incurred by applicant in making the exchange of its stock, as herein authorized, be charged against its surplus;
3. That applicant file, on or before January 31, 1941, a report showing the names of the persons to whom it issued the 1938 shares herein authorized, the number of shares issued to each person and the number of shares of stock surrendered by each person.

Dated at San Francisco, California, this 22nd day
of October, 1940.

Ray L. Riley
Southwestern
Washington

Justus F. Craven
Commissioners