

Decision No. 40431

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
A.A.A. Van and Storage of San Diego,	:	
a corporation, for an order authorizing)	Application
issue of stock.	:	No. 28371
-----)	

O P I N I O N

In this application, A.A.A. Van and Storage of San Diego asks permission to issue 500 shares of no par value stock to pay the indebtedness to which reference is made hereafter.

A.A.A. Van and Storage of San Diego is a corporation organized and existing under and by virtue of the laws of the State of California. It was incorporated on November 18, 1946. It has an authorized stock issue of 2,500 shares of no par value. It is engaged in the business of warehousing, general trucking, full car distribution and forwarding, insurance and loan brokerage on personal property. It is conducting a warehouse business in leased premises situated at 145 South Johnson Street, El Cajon, California. The warehouse building is of the quonset type, corrugated sheet metal construction with a concrete floor. It has a storage space of about 5,600 square feet. At present, about 80% of the space is used to store household goods and 20% to store general merchandise and commodities. As of May 31, 1947, applicant reports assets and liabilities as follows:

Assets

Cash in bank	\$1,585.65
Warehouse supplies	85.00
Merchandise	189.85
Prepaid rents	1,000.00
Prepaid insurance	218.86
Deposit with Board of Equalization	25.00
Accounts receivable	1,902.27
Fixed assets	<u>1,006.87</u>
Total assets	<u>\$6,013.50</u>

Liabilities

Notes payable	\$5,609.65
Undistributed profits	<u>403.85</u>
Total liabilities	<u>\$6,013.50</u>

It is of record that applicant's officers have advanced to it, at or about the time of its organization, the following sums:

Paul C. Gross, President	\$2,550.00
Marie Gross, Vice President, Secretary-Treasurer	2,400.00
Sena Reinen, Vice President	50.00

The \$5,000 advanced by applicant's officers was used by applicant to acquire properties and prepay rent and insurance. Applicant asks permission to issue and deliver the 500 shares of stock to its officers in payment for the \$5,000 loan which they have made to it.

Applicant is a closed corporation in that its articles of incorporation provide that no shareholder shall sell, transfer or hypothecate his stock, or any part thereof, without first giving the other shareholders the right to buy his stock, or loan money thereon, upon the same terms and conditions as could be obtained in the open market.

O R D E R

A.A.A. Van and Storage of San Diego having asked permission to issue 500 shares of stock of no par value, the Commission having considered applicant's request and it being of the opinion that this is not a matter on which a hearing is necessary, that the money, property or labor to be procured or paid for by the issue of said shares of stock is reasonably required by A.A.A. Van and Storage of San Diego for the purpose herein stated, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, and that this application should be granted, therefore,

IT IS HEREBY ORDERED as follows:

1. A.A.A. Van and Storage of San Diego may, after the effective date hereof and on or before September 30, 1947, issue 500 shares of no par value capital stock and deliver 255 of said shares of stock to Paul C. Gross, 240 of said shares of stock to Marie Gross, and 5 of said shares of stock to Sena Reinon, in payment of the loans which said parties made to applicant and which are mentioned in the foregoing opinion.

2. Within thirty (30) days after the issue of said shares of stock, A.A.A. Van and Storage of San Diego shall file with the Commission a statement showing the number of shares of stock issued under the authority herein granted, to whom said shares of stock were issued, and the consideration received therefor.

3. The authority herein granted is effective ten (10) days after the date hereof.

Dated at San Francisco, California, this 24th day
of June, 1947.

Harold P. Hull
Judith F. Casper
Grant Powell
A. F. Friedman
Permitt D. Dittus
COMMISSIONERS