

ORIGINAL

Decision No. 50458

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of)	
Pixley Transportation, a California cor-	:	
poration, and A.T.L. Inc., a California)	Application
corporation, for authority to close escrow	:	No. 35718
and transfer security for note.)	
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OPINION AND ORDER

This is an application for an order of the Commission authorizing Pixley Transportation and A.T.L. Inc. to execute an agreement.

Applicants are California corporations engaged in the business of transporting property as highway common carriers and express corporations in California. By Decision No. 47955, dated November 25, 1952, in Application No. 33825, the Commission authorized Pixley Transportation, then known as Furniture Fast Freight, to sell operative rights and properties to A.T.L. Inc. for the sum of \$200,000, evidenced by a promissory note, in accordance with the terms of an agreement by the two corporations and Abe Blatt and Nathan Kimmel, the holders of all the stock of A.T.L. Inc., which agreement was filed with the Commission in Application No. 33825.

Under the terms of the agreement the two corporations joined in an escrow in the Bank of America National Trust and Savings Association, into which escrow Abe Blatt and Nathan Kimmel deposited all the issued and outstanding shares of common stock of the corporation, such shares to be held until such time as A.T.L. Inc. shall have paid the total sum of \$200,000. The agreement further provided

that should default be made in the payment of any installment of principal or interest, the whole sum of the obligation shall become due immediately at the option of Pixley Transportation.

The present application shows that A.T.L. Inc. has defaulted in the payment of principal and interest and that on or about July 26, 1954, Pixley Transportation exercised its option under the terms of the agreement to declare the entire sum of principal and interest immediately due and payable.

In order to avoid legal action on the part of Pixley Transportation to recover the unpaid amount, applicant corporations have entered into an agreement dated August 17, 1954, a copy of which is filed in this proceeding as Exhibit A, to close and terminate the escrow that has been set up and to deliver the shares of stock now held in the escrow to Melvin A. Pixley, the owner of all the outstanding stock of Pixley Transportation. Abe Blatt and Nathan Kimmel have assigned all their rights in the stock of A.T.L. Inc., but because the escrow in question was set up in accordance with the terms of an agreement which was considered by the Commission when it made its said Decision No. 47955, applicants have filed this application for the execution of the second agreement.

At the conclusion of the transaction Melvin A. Pixley will own all the stock of both applicant corporations. He reports that he intends to acquire said stock for the purpose of effecting a financial reorganization of A.T.L. Inc. Neither the transfer of the rights and properties of A.T.L. Inc., nor the distribution of any of its assets, is involved in this proceeding. Melvin A. Pixley will step into the shoes of Abe Blatt and Nathan Kimmel as the owner of the outstanding shares of stock of A.T.L. Inc. and it does not

appear to us that such action will be adverse to the public interest. Accordingly, we will enter an ex parte order in this proceeding.

Therefore, good cause appearing,


IT IS HEREBY ORDERED that Pixley Transportation and A.T.L. Inc. are authorized to execute an agreement in the same form as that filed in this proceeding as Exhibit A.


The authority herein granted will become effective upon the date hereof.

Dated at San Francisco, California, this 24th day of August, 1954.



President





Commissioners