

Decision No. 53324

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:	)	
FABIANO INTRA-CAL LINES, INC. for	:	Application
authority to issue shares of its common	)	No. 38131
capital stock pursuant to Section 816-830	:	
of the Public Utilities Code.	)	
-----	:	

OPINION AND ORDER

Fabiano Intra-Cal Lines, Inc., a California corporation, has filed this application for authorization to issue 143 shares of its no par value common stock in payment of property.

By Decision No. 53086, dated May 15, 1956, the Commission granted a certificate of public convenience and necessity to applicant corporation authorizing it to operate as a highway common carrier of new household, office and store furniture and fixtures, loose, not in boxes, crates or cartons, and uncrated new household, office and store appliances between the Los Angeles Territory and San Luis Obispo, serving various intermediate and off-route points.

Ordering paragraph (3) of said decision reads, as follows:

"Fabiano Intra-Cal Lines, Inc., shall not institute the service herein authorized nor shall it file any tariffs unless and until it shall have acquired the assets now owned and employed in the transportation business by Jennie V. Fabiano and Rosario Fabiano, who now or formerly transacted business under the firm name and style of Fabiano Bros. Said assets may be acquired in return for capital stock of Fabiano Intra-Cal Lines, Inc., after authority has been obtained from this Commission for the issuance of such stock."

Applicant has filed this application pursuant to the requirements of said ordering paragraph (3). It proposes to acquire from Jennie V. Fabiano and Rosario Fabiano six trucks, seven tractors and seven trailers, together with miscellaneous tangible property and current and other assets. In consideration it proposes to assume the payment of certain outstanding liabilities and to issue its shares of no par value stock. A giving effect balance sheet as of April 30, 1956, setting forth the book balances of the assets to be acquired and the liabilities to be assumed, is as follows:

Assets

Current assets	\$13,961
Tangible property, less reserve	24,456
Intangible property	400
Deferred interest	<u>3,116</u>
Total	<u>\$41,933</u>

Liabilities and Capital

Current liabilities	\$20,710
Purchase obligations	19,792
Capital	<u>1,431</u>
Total	<u>\$41,933</u>

The Commission has given consideration to this application and is of the opinion that a public hearing is not necessary, that the money, property or labor to be procured or paid for through the issue of the stock herein authorized is reasonably required by applicant for the purpose specified herein and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED:

1. That Fabiano Intra-Cal Lines, Inc., may assume the payment of outstanding indebtedness of Jennie V. Fabiano and Rosario Fabiano and may issue to them not exceeding 143 shares of its common stock without par value in payment for certain properties to be transferred by them, as set forth in this application.

2. That none of the shares of stock authorized by paragraph 1 hereof shall be sold or issued unless and until applicant corporation first shall have selected an escrow holder and said escrow holder first shall have been approved by the Commission; that when issued all documents evidencing any of said shares of stock shall be deposited with said escrow holder forthwith, to be held as an escrow pending the further written order of the Commission; that the receipt of said escrow holder for said documents shall be filed with the Commission; and that the owners or persons entitled to said shares shall not consummate a sale or transfer of said shares, or any interest therein, or receive any consideration therefor, until the written consent of the Commission shall have been obtained so to do.

3. That applicant shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

4. That the authorization herein granted will become effective 20 days from the date hereof.

Dated at San Francisco, California, this 10<sup>th</sup> day of July, 1956.

[Signature]  
President  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
Commissioners