



(2) That the partners, through the instrumentality of said corporation, will continue in the active management and control of the vessel operation and make available to the corporation whatever financial assistance may reasonably be required in developing and maintaining an adequate and attractive service to the public.

(3) That applicants are not and do not contemplate becoming parties to any through routes, joint rates or fares with any other carrier, and that the proposed transaction will not result in any changes in transportation service, rates or fares, or affect the operations or traffic of any other carrier now operating under the jurisdiction of the Commission.

According to a balance sheet as of April 13, 1956, the corporate applicant owns the vessel to be used in the service, which has a value of \$15,000, and has \$6,000 cash. The notes outstanding amounting to \$21,000, are held by two of the partners and the partners own all of the capital stock of the corporation, consisting of 1,028 shares of no par value. A certified copy of the articles of incorporation of purchaser are attached to the application.

The Commission finds that the public interest will not be adversely affected by approval of the transfer proposed herein. The application will be granted. The action taken herein shall not be construed to be a finding of the value of the right herein authorized to be transferred. M. & S. Development Company, a corporation, is hereby placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. A public hearing is not necessary.

O R D E R

An application having been filed, and the Commission being of the opinion that the authority requested should be granted,  
IT IS ORDERED:

(1) That Frank F. Parisi, Fred J. Parisi and J. Vincent Parisi, partners, after the effective date of this order, and on or before August 1, 1956, may sell and transfer to M. & S. Development Company, a corporation, and the latter may acquire and purchase the operative rights granted by Decision No. 51940, dated September 6, 1955, in Application No. 37174.

(2) That within thirty days after the completion of the transfer herein authorized, M. & S. Development Company shall so notify the Commission in writing and within said period shall file with it true copies of the instruments executed to effect such transfer.

(3) The applicants shall, effective concurrently with the consummation of such transfer, and on not less than five days' notice to the Commission and the public, amend tariffs on file with the Commission naming rates, rules and regulations governing the operations here involved to show that Frank F. Parisi, Fred J. Parisi and J. Vincent Parisi, have withdrawn and M. & S. Development Company has adopted as its own said rates, rules and regulations.

The effective date of this order shall be twenty days after the date hereof.

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

[Signature]  
President  
[Signature]  
[Signature]  
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Commissioners