

ORIGINAL

Decision No. 60347

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
F. T. S. TRANSPORT SYSTEM, INC.
for a permit authorizing it to sell
and issue additional shares of stock.

Application No. 42323

OPINION AND ORDER

The above-entitled application was filed on June 6, 1960, for an order of the Commission authorizing F. T. S. Transport System, Inc., to issue 3,800 shares of its common stock, of the par value of \$10 each and of the aggregate par value of \$38,000, for the purpose of discharging outstanding indebtedness of like amount.

F. T. S. Transport System, Inc., is a California corporation engaged, among other things, in the operation of a highway common carrier service for certain commodities between Sacramento and other points in northern and central California. In the conduct of its operations it has obtained, and has invested in its assets, the sum of \$38,000 representing advances from its secretary, the sum of \$12,603 representing long-term contracts and the sum of \$11,765 representing common stock equity capital. Its financial statement as of the end of 1959 shows current assets of \$107,438 outstanding and current liabilities of \$122,170 including, however, the \$38,000 advanced by its secretary.

Applicant now desires to improve its capital structure by converting the \$38,000 liability to capital stock and has filed this application for the appropriate authorization. We have considered the matter and we find and conclude that the proposed issue of stock is for a proper purpose; that the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required for the purpose specified herein; that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; and that a public hearing is not necessary; NOW THEREFORE,

IT IS HEREBY ORDERED as follows:

1. F. T. S. Transport System, Inc., on or after the effective date hereof and on or before December 31, 1960, may issue not to exceed 3,800 shares of its common stock, of the par value of \$10 each, in payment of outstanding liabilities of \$38,000.

2. F. T. S. Transport System, Inc., 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.

3. The authority herein granted shall become effective on the date hereof.

Dated at San Francisco, California,
this 5th day of July, 1960.

Everett R. Page
President
John L. Smith
William F. Dool
E. J. Smith
Theodore J. Smith
Commissioners