

ORIGINAL

Decision No. 65932

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:

SANTA CRUZ MOTOR EXPRESS, INC., a corporation, for authority to issue non-par common stock in exchange for existing shares of stock, pursuant to Sections 817 and 822 of the California Public Utilities Code.

Application No. 45644
Filed August 6, 1963

O P I N I O N

Santa Cruz Motor Express, Inc., seeks authorization to issue 5,000 shares of no par value common stock in exchange for \$10 par value shares of common and preferred stock presently outstanding on the basis of one no par value common share for each of the 2,500 shares of 6% noncumulative non-voting preferred stock now outstanding and 83-1/3 no par value common shares for each of the 30 shares of common stock outstanding.

The application shows that the proposed exchanges of shares were approved by the shareholders, both preferred and common, at a special meeting, with no adverse votes, and that such exchanges will not result in any change in the aggregate value of the outstanding shares. It is reported that during the last four years applicant realized sufficient revenues to pay the dividends on its preferred shares and a like amount on the common. It appears that in 1962 applicant's operating ratio was 93% and for the first six months of 1963, 91%.

The Commission has considered this matter and is of the opinion, and finds, that the proposed issue is for a proper purpose; that the money, property or labor to be procured or paid for through the issue of the stock herein authorized is reasonably required for the purpose specified herein; and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

The authorization herein granted is not to be construed as a finding of value of applicant's shares of stock.

O R D E R

IT IS ORDERED that:

1. Santa Cruz Motor Express, Inc., on or after the effective date hereof and on or before December 31, 1963, may issue not to exceed 5,000 of its no par value common shares in exchange for its presently outstanding preferred and common shares on the bases set forth in this application.

2. Santa Cruz Motor Express, Inc., shall file with the Commission on or before January 31, 1964, a copy of each journal entry used by it to record the exchange of its shares of stock and also a report as required by General Order No. 24-A.

3. The authority herein granted shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 3rd day
of SEPTEMBER, 1963.

William W. Bennett
President
John E. Mitchell
Robert W. [unclear]
George T. [unclear]
Fredrick B. Holdhoff
Commissioners