

Decision No. 86502

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Appli-)
cation of:)

H. J. Duimstra, B. L. Duimstra,)
A. Pantus and J. A. Pantus to)
purchase, and J. M. De Bono,)
E. D. McEathron and J. J. Plum-)
mer to sell stock of DAVIES)
TRANSPORTATION COMPANY, a Cali-)
fornia Corporation and of DAVIES)
TRANSPORTATION COMPANY to pur-)
chase option from J. R. Thomas)
and H. L. Madsen, pursuant to)
sections 816-30 & 851-54 of the)
California Public Utilities Code.)

Application No. 56595
(Filed July 6, 1976)

O P I N I O N

By this application Henry J. Duimstra, Brenda L. Duimstra, Arnold Pantus and Jacoba A. Pantus (purchasers) seek authority to control Davies Transportation Company, a California corporation, by purchase of all the issued and outstanding 7,000 shares of capital stock from Jane M. De Bono, E. D. McEathron and J. J. Plummer for a total consideration of \$12,500.

Davies Transportation Company holds a certificate of public convenience and necessity as a highway common carrier granted by Decision 62287, dated July 18, 1961, in Application 43257, as amended by Decision 62692, dated October 17, 1961. The certificate authorizes transportation of general commodities with the usual exceptions within the Los Angeles Basin Territory. It also holds highway carrier permits issued by this Commission.

The purchasers, after acquisition of the stock and as the new directors and officers of the corporation, will cause the corporation to repurchase, by issuing a note for \$49,500, an option from J. R. Thomas and H. L. Madsen to purchase certain of the corporation's assets which include the operating authority held by

Davies Transportation Company. The note for \$49,500 with interest of 9% per annum will be paid in monthly installments of \$1231.81 until full payment is made. The note will be guaranteed by the stock purchasers and the stock and any dividends declared by the corporation, pursuant to security agreement, will be collateral to secure performance under the installment note.

Subsequent to the stock purchase, the new officers, directors and stockholders of the corporation will be:

<u>Name</u>	<u>Shares of Stock</u>	<u>Title</u>
Henry Duimstra	1750	Pres.
Brenda L. Duimstra	1750	Secy.
Arnold Pantus	1750	V. Pres.
Jacoba A. Pantus	1750	Treas.
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Total	7000	

After consideration, the Commission finds that control of Davies Transportation Company by H. J. Duimstra, B. L. Duimstra, A. Pantus and J. A. Pantus would not be adverse to the public interest and that the proposed note is for proper purposes and is reasonably required for the purposes specified, which purposes are not, in whole or in part, reasonably chargeable to operating expenses.

The Commission concludes that the acquisition of control of Davies Transportation Company, as requested in the application, and the issuance of the note should be authorized. A public hearing is not necessary. The action taken herein shall not be construed as a finding of value of the capital stock or assets of Davies Transportation Company, nor as indicative of a conclusion by this Commission that acquisition by one party of not more than 50% of the stock of a corporation constitutes control of the corporation.

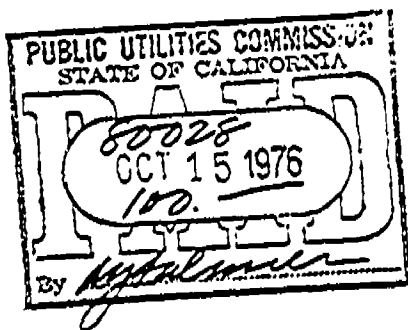
O R D E R

IT IS ORDERED that:

1. H. J. Duimstra, B. L. Duimstra, A. Pantus and J. A. Pantus may control Davies Transportation Company, a California corporation.
2. Within ninety days after the date hereof, H. J. Duimstra, B. L. Duimstra, A. Pantus, J. A. Pantus and Davies Transportation Company shall file reports informing the Commission whether or not the stock acquisition has been completed.
3. Davies Transportation Company may issue a note in the principal amount of not exceeding \$49,500 in substantially the same form and for the purposes specified in Exhibit 1 of Exhibit A of the application.

The authority granted by this order to issue evidence of indebtedness will become effective when the issuer has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$100. In all other respects the effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 13th day of October, 1976.



[Signature] President
William Agnew Jr.
Terrence L. Sturgeon
Terrence L. Sturgeon
Robert Pateman Commissioners