

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 2393

IN THE MATTER OF:

Served January 25, 1983

Application of WEBB TOURS, INC.,)
for Authority to Issue Securities)

Case No. AP-83-02

By application filed January 18, 1983, Webb Tours, Inc., trading as "Spirit of 76" Tours, a District of Columbia corporation, seeks authority to issue 501 shares of common stock to Mr. James J. Richardson, an employee of the corporation. Each share of stock has a \$1 par value. The stock is to be issued as "partial employee salary compensation." The stated purpose of the issuance is "to allow Webb Tours, Inc., to secure services of trained transportation expert that it could not hire without sharing equity in the business." Webb Tours states that no expenses will be incurred regarding the stock issuance.

Webb Tours now has 5,001 shares of stock outstanding. Its most recent (unaudited) balance sheet, dated December 31, 1981, reflecting WMATC operations, indicates Stockholders Equity of \$18,034 for a book value of \$3.61 per share at that time. An untitled financial statement labelled "Third Quarter 1982" appears to be an income statement for the first nine months of 1982 and shows a "Net Profit Year to Date" of \$5,126. A Pro Forma Income Statement for 1983 shows a pre-tax net profit of \$35,000. From these data, applicant states that the issuance of 501 shares of stock has a par value of \$500 and a book value of \$900. We will require a balance sheet for a more recent point in time than December 31, 1981, as discussed below.

The Commission has jurisdiction over this stock issuance by virtue of Title II, Article XII, Section 11(b) of the Compact which provides, as pertinent, that

no carrier subject to this Act shall issue any securities, or directly or indirectly receive any money, property or services in payment of securities issued or to be issued by it, until the Commission, by order, shall have approved the issuance of such securities.

Title II, Article XII, Section 11(c) of the Compact provides that the Commission shall approve issuance of securities if, after affording reasonable opportunity for hearing to interested parties, it finds that the proposed issuance of securities is not contrary to the public interest. Under this standard, it appears efficacious first to identify what parties other than applicant and Mr. Richardson, if any, may be interested. Accordingly, applicant shall be directed to publish notice of this application, but no hearing date will be established herein. If no other interested parties file a protest or otherwise desire to be heard on this matter, applicant may file a motion pursuant to Commission Rule No. 22-01 requesting waiver of an oral hearing, provided that any evidence upon which applicant would rely is submitted, in writing and under oath, simultaneously with the motion.

Additionally, applicant must provide a more recent balance sheet for a date not to precede June 30, 1982. Applicant must also submit a verified statement indicating the services being or to be performed by Mr. Richardson to account for the stock issuance.

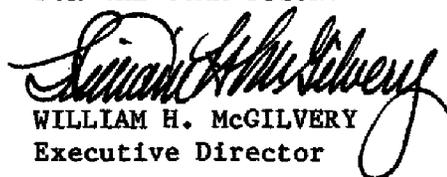
THEREFORE, IT IS ORDERED:

1. That Webb Tours, Inc., is hereby directed to publish notice of this application once, in the form prescribed by the staff of the Commission, in a newspaper of general circulation in the Metropolitan District no later than Monday, January 31, 1983.

2. That Webb Tours, Inc., is hereby directed to file the supplemental material described herein no later than Friday, February 4, 1983.

3. That any person desiring to protest this application shall file a protest in accordance with Commission Rule No. 14, or any person desiring to be heard on this matter shall so notify the Commission, in writing, said protest or notice to be filed at the office of the Commission, Suite 316, 1625 I Street, N. W., Washington, D. C. 20006, no later than Monday, February 14, 1983, and a copy thereof shall simultaneously be served upon counsel for applicant, Jere W. Glover, Esquire, Price & Glover, Suite 1201, 1001 Connecticut Avenue, N. W., Washington, D. C. 20036.

FOR THE COMMISSION:


WILLIAM H. MCGILVERY
Executive Director