

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 6254

IN THE MATTER OF:

Served June 15, 2001

Investigation of Forfeiture of )  
Corporate Charter of ATLANTIC )  
VALET, INC., Trading as ATLANTIC )  
TRANSPORTATION, Order to Show Cause )  
Why Certificate No. 271 Should not )  
be Revoked, and Order Directing )  
ATLANTIC SERVICES GROUP, INC., Not )  
to Transport Passengers for Hire in )  
the Metropolitan District )

Case No. MP-2001-34

This investigation was initiated April 18, 2001, in Order No. 6190, based on evidence that Atlantic Valet, Inc., WMATC Carrier No. 271, forfeited its corporate charter on October 6, 2000, and that a corporation by the name of Atlantic Services Group, Inc., was claiming the right to operate under Certificate of Authority No. 271.

The record shows Atlantic Valet, Inc., was incorporated in Maryland on August 15, 1991, as a non-close stock corporation and was issued Certificate of Authority No. 271 on November 2, 1994. The record also shows Atlantic Valet, Inc., changed its name to MJ Valet, Inc., on July 2, 1998, sold all or substantially all of its assets to Parking Services International, Incorporated, (PSII), effective August 7, 1998,<sup>1</sup> and forfeited its charter October 6, 2000, for failure to file a personal property return for 1999.

On January 22, 2001, the Commission received the 2000 annual report for Carrier No. 271 in the name of Atlantic Services Group, Inc. When questioned by Commission staff, Atlantic Services Group, Inc., explained that Atlantic Services Group, Inc., was just a new name for Atlantic Valet, Inc. Records obtained from the Business Services and Finance Division of the Maryland State Department of Assessments and Taxation, however, show that Atlantic Services Group, Inc., and Atlantic Valet, Inc., are different corporations, not just different names for the same corporation. Therefore, if Atlantic Services Group, Inc., intends to conduct operations under Certificate No. 271, it first must obtain Commission approval under Article XI, Section 11(a), of the Compact governing transfers of certificates of authority.

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<sup>1</sup> The record shows that articles of transfer naming MJ Valet, Inc., as transferor and PSII as transferee were filed with the Maryland State Department of Assessments and Taxation (SDAT) on August 7, 1998. Under Maryland law, the sale of all or substantially all of a corporation's assets is effective on the date the articles of transfer are accepted by SDAT. Clerk of the Circuit Court for Dorchester County v. Chesapeake Bay Shores, Inc., 319 A.2d 811, 813 (Md. 1974).



Order No. 6190, accordingly, gave respondents thirty days to file a transfer application, supported by a transfer agreement executed by Atlantic Valet, Inc., or show cause why Certificate No. 271 should not be revoked. The order also gave respondents fifteen days to request an oral hearing. To date, respondents have not requested an oral hearing, neither have they filed an acceptable transfer application nor shown cause why Certificate No. 271 should not be revoked.

The Commission may revoke a certificate of authority under Article XI, Section 10(c), of the Compact, after notice and hearing, for willful failure to comply with a provision of the Act. Order No. 6190 apprised respondents of the evidence against them, but they failed to respond and thereby declined the opportunity for a hearing.

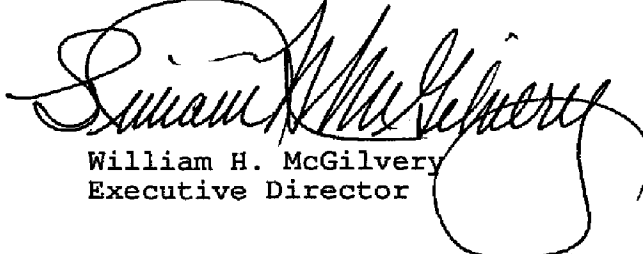
We find that Atlantic Valet willfully violated the Compact. As noted, Atlantic Valet transferred all or substantially all of its assets to PSII, effective August 7, 1998. Any assets remaining in Atlantic Valet's hands at the time Atlantic Valet forfeited its charter were transferred by operation of law to Atlantic Valet's directors on October 6, 2000.<sup>2</sup> In either event, Atlantic Valet no longer exists and cannot be said to possess Certificate No. 271.<sup>3</sup> Atlantic Valet was charged with the knowledge that the transfer of a WMATC certificate of authority requires prior Commission approval.<sup>4</sup> Accordingly, we shall revoke Certificate No. 271 for Atlantic Valet's willful failure to comply with the certificate transfer provision of the Compact, Article XI, Section 11(a).

THEREFORE, IT IS ORDERED:

1. That Certificate of Authority No. 271 is hereby revoked.

2. That Atlantic Services Group, Inc., shall not transport passengers for hire between points in the Metropolitan District unless and until otherwise ordered by the Commission.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS ALEXANDER, LIGON, AND MILLER:



William H. McGilvery  
Executive Director

<sup>2</sup> "[W]hen a corporate charter has been forfeited, the directors of the terminated corporation hold the assets of the corporation as trustees for the benefit of creditors and stockholders." Cloverfields Improvement Ass'n, Inc., v. Seabreeze Properties, Inc., 362 A.2d 675, 683 (Md. Ct. Spec. App. 1976), aff'd, 373 A.2d 935 (Md. 1977).

<sup>3</sup> Forfeiture puts an end to corporate existence. 362 A.2d at 679.

<sup>4</sup> In re K&G Limo. Serv., Inc., t/a Limousines For You, Inc., No. MP-98-17, Order No. 5343 (May 27, 1998); In re William E. Gillison, t/a Quiana Tours, & Quiana Tours, Inc., No. MP-98-16, Order No. 5342 (May 27, 1998); In re George Mouratidis, t/a Haymarket Transp. & Haymarket Transp., Inc., No. MP-98-15, Order No. 5341 (May 27, 1998).

