

Decision No. 13361

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application of
HUGH GOODFELLOW, WARREN OLNEY, and
W. I. BROBECK, as Trustees, and KEY
SYSTEM TRANSIT COMPANY, a corporation,
EAST OAKLAND RAILWAY COMPANY, a cor-
poration, OAKLAND AND HAYWARDS RAIL-
ROAD, a corporation, and KEY SYSTEM
SECURITIES COMPANY, a corporation,
to transfer and acquire the Property
Formerly Belonging to San Francisco-
Oakland Terminal Railways, a corpor-
ation, and to Issue Securities.

Application
Number
9367

BY THE COMMISSION :

THIRD SUPPLEMENTAL ORDER

The Railroad Commission by Decision Number 12931, dated December 14, 1923, authorized the Key System Transit Company to issue \$8,951,010.08 of general and refunding mortgage 15 year bonds subject, among other things, to the condition that none of the bonds be issued until the Commission by a supplemental order has authorized the Key System Transit Company to execute a mortgage or deed of trust securing the payment of such bonds.

On March 21st. the Key System Transit Company filed a supplemental petition in the above entitled matter asking permission to execute a deed of trust to secure the payment of its general and refunding mortgage bonds and to issue \$8,951,000.00 of such bonds for the purposes indicated in the Commission's Decision Number 12931, dated December 14, 1923.

The proposed deed of trust will secure an authorized issue of \$20,000,000.00 of bonds. Of the authorized bonds, \$10,000,000.00 will be reserved for the purpose of refunding \$10,000,000.00 of first mortgage bonds. Of the \$8,951,000.00 of

general and refunding mortgage bonds which the company now asks permission to issue \$1,365,800.00 will bear interest at the rate of 6 per cent per annum and \$7,585,200.00 at the rate of 5 per cent per annum. The Commission has been advised by counsel for the company that the deed of trust securing the payment of the general and refunding mortgage bonds will be a lien on all properties of the company, except the securities which are subject to the lien of the deed of trust securing the payment of the first mortgage bonds. A description of the properties has heretofore been filed in connection with the company's proposed deed of trust securing the payment of its first mortgage bonds. This order will require the company to file, as soon as executed, a certified copy of the deed of trust securing the payment of the general and refunding mortgage bonds.

The Commission has considered the request of the Key System Transit Company and is of the opinion that such request should be granted as herein provided, therefore ;

IT IS HEREBY ORDERED that KEY SYSTEM TRANSIT COMPANY be, and it is hereby, authorized to execute a deed of trust substantially in the same form as the deed of trust filed with this Commission on March 21, 1924, for the purpose of securing the payment of its general and refunding mortgage bonds, provided that the authority herein granted to execute a deed of trust is for the purpose of this proceeding only and is granted in so far as this Commission has jurisdiction under the terms of the Public Utilities Act, and is not intended as an approval of said deed of trust as to such other legal requirements to which said deed of trust may be subject; provided, further, that as soon as executed Key System Transit Company file with the Commission^a certified copy of the deed of trust securing the payment of its general and refunding mortgage bonds.

IT IS HEREBY FURTHER ORDERED that the Order in Decision Number 12951, dated December 14, 1923, as amended, shall remain in full force and effect except as modified by this Third Supplemental Order.

DATED at San Francisco, California, this 24 day of April, 1924.

C. Seavey

H. B. Brundage

Egerton Shore

J. T. Whittier

Commissioners