

It appears to us that this is a matter in which a public hearing is not necessary. It is our opinion that the application should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the issue of the note is reasonably required by applicant for the purposes specified herein and that the expenditures for such purposes are not in whole or in part reasonably chargeable to operating expense or to income, therefore,

IT IS HEREBY ORDERED that California Transit Co. be, and it hereby is, authorized to issue its promissory note in the principal amount of \$127,000., payable on or before one year after date of issue with interest at not exceeding six percent per annum, and to execute a deed of trust to secure the payment of the note, said deed of trust to be in substantially the same form as that filed in this proceeding, provided that the authority herein granted to execute a deed of trust is for the purpose of this proceeding only and is granted only insofar as this Commission has jurisdiction under the terms of the Auto Stage and Truck Transportation Act and 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.

The authority herein granted is subject to the following conditions:-

1. Applicant shall use the proceeds received through the issue of the note to pay the \$55,000. note due Central Savings Bank of Oakland and to pay in part the notes due Central National Bank of Oakland referred to in this application.
2. The authority herein granted shall become effective when applicant has paid the fee prescribed by Section "6" of the Auto Stage and Truck Transportation Act and Section "57" of the Public Utilities Act.

which fee is \$127.

5. Applicant shall keep such record of the issue and delivery of the note herein authorized and of the disposition of the proceeds as will enable it to file within thirty days after such issue a verified report, as required by the Railroad Commission's General Order No. 24, which order insofar as applicable, is made a part of this order.

DATED at San Francisco, California, this 15th day of March, 1927.

Ernest J. East
H. B. Brandt
C. S. ...
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Commissioners.

