

LEM

Decision No. 24284.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
AMADOR CENTRAL RAILROAD COMPANY )  
for an order authorizing the amend- ) Application No. 17812  
ment of trust indenture executed by )  
applicant to secure bonds of applicant.)

Erland O. Erickson, for applicant.

**ORIGINAL**

BY THE COMMISSION:

O P I N I O N

Amador Central Railroad Company asks permission to execute an agreement, a copy of which is on file in this proceeding, modifying certain provisions of its trust indenture dated November 2, 1908, to which reference will be made hereafter.

Applicant is engaged in the business of operating a railroad as a common carrier of persons and property between Ione, Amador County, and Martell, Amador County, California, a distance of about twelve miles.

Under date of November 2, 1908, applicant entered into a certain indenture with the Union Trust Company of San Francisco, a corporation, as trustee, to secure the payment of \$300,000.00 face value of five percent first mortgage bonds due November 2, 1938. It appears that all of these bonds were issued. At present \$92,500. of the bonds are held alive in the sinking fund by the Wells Fargo Bank and Union Trust Company, successor to Union Trust Company, as

trustee, and \$207,500.00 of the bonds are held by the public.

It appears from the record in this proceeding that Amador Central Railroad Company has not complied with the provisions of its trust indenture, either as to the payment of interest on the outstanding bonds or as to meeting the sinking fund payments required under Article XI of its trust indenture. It is alleged that all of the holders of the company's bonds, all of the stockholders and the company itself have agreed to waive the payment to the trustee under the trust indenture<sup>of</sup>/any and all sums due or in the future to become due for the sinking fund under said Article XI of the trust indenture, including the payment of interest upon the bonds heretofore purchased and deposited in the sinking fund described in said Article XI. It further appears that the bondholders have agreed to waive any and all defaults that may at present exist under the said trust indenture, and accept in full payment of any and all interest due on bonds to and including November 1, 1931, a sum equal to fifteen (15%) percent of the face value of said bonds.

The holders of the bonds agree to deliver the said bonds to the trustee for the purpose of having the following clause stamped thereon:

"Article XI of the trust indenture securing this bond has been amended to provide that the payment of all sums due or in the future to become due for said 'sinking fund' under said Article XI, including the payment of interest upon the bonds of Amador Central Railroad Company heretofore purchased for and deposited in said 'sinking fund' described in Article XI, is waived, Amador Central Railroad Company, however, retaining the option to make payments to said 'sinking fund', which said payments may be used in the manner and for the purposes set forth in said Article XI."

The agreement provides that the same shall become effective only if and when the owners and holders of all of the company's bonds, except those held in the sinking fund, have executed the agreement.

O R D E R

Amador Central Railroad Company having asked permission to execute an agreement similar in form to that filed in this proceeding, the Commission having considered the request of applicant and being of the opinion that this is not a matter in which a hearing is necessary and that applicant's request should be granted, as herein provided, therefore:

IT IS HEREBY ORDERED, that Amador Central Railroad Company be, and it hereby is, authorized to execute, on or before February 1, 1932, an agreement similar in form to the agreement filed in this proceeding on November 28, 1931, provided that the authority herein granted to execute such agreement is for the purpose of this proceeding only, and is granted insofar as this Commission has jurisdiction under the provisions of the Public Utilities Act, and is not intended as an approval of said agreement as to such other legal requirements to which said agreement may be subject.

IT IS HEREBY FURTHER ORDERED, that within thirty(30) days after the execution of the aforesaid agreement, Amador Central Railroad Company shall file with the Railroad Commission a certified copy of the agreement executed under the authority herein granted.

DATED at San Francisco, California, this 7<sup>th</sup> day of December, 1931.

Al Seamy  
Leon W. Russell  
W. J. Carr  
W. B. Harris  
Fred G. Stewart

Commissioners.