

ORIGINAL

Decision No. ✓

Decision No. 1372

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application
of Oro Electric Corporation, a
corporation, for permission to ex-
tend the times of payment of certain
obligations so that the same will
become payable more than twelve months
after the respective dates thereof.

APPLICATION NO. 1036

F. E. Boland for applicant.

EDGERTON, Commissioner.

O P I N I O N

This is an application by Oro Electric Corporation
for an order authorizing the issuance of promissory notes
aggregating the principal sum of \$8,434.43.

Promissory notes representing this sum are now
outstanding and in these notes the time of payment is fixed
at less than one year, but as it is now proposed to refund
these notes by issuing in their place new notes extending
over a period of six months, and the aggregate of the time
within which the original and these refunding notes must be
paid is over one year, the authorization of this Commission
is necessary.

The money derived from the issuance of the pro-
missory notes now asked to be refunded or exchanged for
these new notes was used for additions, betterments and
improvements.

One of these promissory notes provides for interest
at 7 per cent and all the others at 6 per cent, and it is
proposed to fix a like rate of interest in the notes which

are exchanged as the interest fixed in the existing notes.

I recommend that the application be granted, and submit herewith the following form of order:

O R D E R

Application having been made to the Railroad Commission of the State of California for an order authorizing the issue by Oro Electric Corporation of promissory notes in the aggregate amount of \$8,434.43, payable six months from the date thereof, and a public hearing having been held and it appearing to the Commission that the issuance of said promissory notes is necessary for the discharge of the obligations of said corporation, and that the purposes for which the proceeds of said notes are to be used are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that the Railroad Commission of the State of California does hereby authorize the issue by Oro Electric Corporation of promissory notes in the aggregate sum of \$8,434.43, payable six months from the date thereof, and bearing interest at the same rate as the promissory notes of applicant now outstanding, and which are to be retired with the notes herein authorized to be issued as hereinafter provided. The notes herein authorized to be issued to bear interest not to exceed 7 per cent per annum.

The promissory notes hereby authorized to be issued shall be used only for the purpose of retiring and cancelling all of those certain promissory notes described in detail in Exhibit A, attached to the application herein, reference to which is hereby made.

Said company shall keep separate, true and accurate accounts showing the receipt and application in detail of the proceeds of the promissory notes hereby authorized to be issued,

and on or before the 25th day of each month the company shall make a verified report to the Commission in accordance with the Commission's General Order No. 24, stating the sale or disposition of such promissory notes during the preceding month, the terms and conditions of such sale or other disposition, the moneys or other benefits realized therefrom, and the use and application of such moneys.

The authority hereby given to issue such promissory notes shall apply only to notes issued by said company on or before the 23d day of October, 1914.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 23rd day of March, 1914.

H. S. K. David
Alfred J. Gordon
Edmund D. Edgerton

Commissioners.