Decision No. 1977

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the matter of the Application of STOCKTON TERMINAL AND EASTERN RAILROAD COMPANY for an order authorizing the renewal of two Promissory Notes in the sum of $1000 each.

Application No.1233.

J. E. Adams and J. A. Nesbitt for applicant.

THELEN, Commissioner.

O P I N I O N.

This is an application for authority to issue two promissory notes in the sum of $1,000.00 each in renewal of note in the sum of $1,000.00, dated May 16, 1913, payable to the order of San Joaquin Valley Bank, and the other note in the same amount, of the same date, payable to the order of Farmers and Merchants Bank of Stockton. The existing notes bear interest at the rate of 6 per cent per annum and the renewal notes are to bear the same rate of interest.

A public hearing on this application was held in San Francisco on November 30, 1914. The evidence shows that the proceeds from these notes were used for extensions as authorized by this Commission.

Applicant desires to issue the renewal notes for a term of six months, in order to avoid the necessity of coming before the Commission again at the expiration of six months. I recommend that this Commission authorize the issue of the renewal notes now requested for the term of six months and the issue of renewal notes thereafter, if necessary, provided that the combined terms shall not exceed one year.

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

O R D E R.

STOCKTON TERMINAL AND EASTERN RAILROAD COMPANY having applied to the Railroad Commission for an order authorizing the issue of two renewal notes, as hereinafter specified, and a public hearing having been held on said application, and the Railroad Commission finding that the purposes for which the proceeds of the notes which it is now desired to renew are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that Stockton Terminal and Eastern Railroad Company be and the same is hereby authorized to issue its promissory note in the sum of one thousand dollars ($1000), payable to the order of San Joaquin Valley Bank, with interest at the rate of six (6) per cent per annum, in renewal of an existing note in the same amount, payable to the same bank, and also its promissory note in the sum of one thousand dollars ($1000), payable to the order of Farmers and Merchants Bank of Stockton, bearing interest at the rate of six (6) per cent per annum, in renewal of an existing note in the same amount, on the following conditions, and not otherwise:

1. The notes herein authorized to be issued shall be issued at not less than their face value.

2. Said notes may be issued for a term of six (6) months and reneral notes may thereafter be issued, provided that the rate of interest is not increased, and provided that the combined terms of the notes now to be issued and those which may hereafter be issued in renewal thereof shall not exceed twelve (12) months.

3. Stockton Terminal and Eastern Railroad Company shall within ten (10) days after their issue, report to the Railroad Commission the fact of the issue of the notes hereby authorized and the terms thereof.

4. This order shall not become effective until applicant has paid the fee specified by Section 57, as amended, of the Public Utilities Act.

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 30th day of November, 1914.

H. D. Loveland

Alex Gordon

Max Thelen

Edwin O. Edgerton

Commissioners.

Railroad Commission State of California
Fee $25.00
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BY H. G. Mathewson
Assistant Secretary.

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