

MM

Decision No.

ORIGINAL

Decision No. 3052

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of LOS ANGELES & SAN DIEGO BEACH)
RAILWAY COMPANY for authority to)
issue \$825,000.00 of bonds.)

Application No. 1240

BY THE COMMISSION:

FOURTH SUPPLEMENTAL ORDER

WHEREAS, this Commission in its Decision No. 1962, Vol. 5, Opinions and Orders of the Railroad Commission of California, page 761, and in certain orders issued supplemental thereto authorized Los Angeles & San Diego Beach Railway Company to issue \$375,000.00 of its First Mortgage Five and One-Half Per Cent Sinking Fund Gold Bonds; and

WHEREAS said Order further provided that applicant might pledge said bonds or any part thereof in such amounts and at such ratios as should thereafter be authorized by this Commission; and

WHEREAS applicant has now applied to this Commission for authority to pledge thirty of its First Mortgage Five and One-Half Per Cent Sinking Fund Gold Bonds of the total face value of \$30,000.00 as collateral security for a note to Merchants National Bank of San Diego in the principal sum of \$21,000.00, said note

having been authorized by this Commission ⁱⁿ ~~its~~ its Decision Number AEM
1918, Vol. 5, Opinions and Orders of the Railroad Commission of
California, page 674;

And it appearing to this Commission that applicant's
request is reasonable and should be granted and that the purposes
for which it is proposed to issue said bonds are not reasonably
chargeable to operating expenses or to income;

IT IS HEREBY ORDERED that Los Angeles and San Diego
Beach Railway Company be and it is hereby authorized to pledge
\$30,000.00 face value of its First Mortgage Five and One-Half per
cent Sinking Fund Gold Bonds as collateral security for a note to
Merchants National Bank of San Diego, dated November 5, 1914, in
the principal sum of \$21,000.00.

The authority herein granted is granted upon the
following conditions and not otherwise:-

- (1)-When the above mentioned note to Merchants
National Bank has been paid or otherwise
discharged, the bonds herein authorized to be
pledged shall be returned to applicant's
treasury and not thereafter issued without
the approval of this Commission.
- (2)-In case the note now held by Merchants Nation-
al Bank of San Diego shall be transferred by
said bank, the bonds herein authorized to be
pledged shall be returned to applicant's
treasury and not thereafter issued without
authority from this Commission.
- (3)-The bonds issued hereunder shall not be trans-
ferred by Merchants National Bank of San Diego
except in case of sale under the terms of the
pledge or in accordance with paragraphs 1 and
2 above.

(4)-The bonds herein authorized to be pledged shall not be sold under said pledge at less than 80% of their face value and accrued interest.

(5)-Any agreement between the applicant herein and Merchants National Bank of San Diego relative to pledge of bonds herein authorized to be issued, shall contain a provision by which said bank shall give the applicant herein and the trustee under its bond issue ten days notice in case of intention to sell under the terms of said pledge. Within ten days after the execution of any such agreement a copy shall be filed with this Commission.

(6)-The authority herein granted shall apply only to such bonds as shall have been issued on or before June 30, 1916.

Dated at San Francisco, California, this 21st
day of January, 1916.

W. H. Overland

W. G. Gordon

Frank R. Decker

Commissioners.