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ORIGINAL

Decision No. 4100

Decision No. _____

BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of)	
LOS ANGELES AND SAN DIEGO BEACH RAIL-)	
WAY COMPANY, a corporation, for an)	
order authorizing the pledge of a)	
portion of its first mortgage bonds)	Application No. 2758.
to secure its promissory note to)	
Colorado Fuel & Iron Company, a cor-)	
poration.)	

Loovy & Leovy for applicant.

LOVELAND, Commissioner.

O P I N I O N .

This is an application of Los Angeles and San Diego Beach Railway Company for authority to issue a promissory note in the principal sum of \$7,393.05, and to pledge as security therefor its first mortgage 5-1/2 per cent bonds in the ratio of not more than \$100.00 face value of said bonds to each \$80.00 face value of said note.

The applicant purchased certain rails from the Colorado Fuel & Iron Company for \$10,837.08 and has paid part of the principal, leaving a balance remaining of \$7,393.05.

This company has taken steps to reduce its indebtedness and is making arrangements for the security of the remaining creditors.

1.

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

O R D E R .

LOS ANGELES AND SAN DIEGO BEACH RAILWAY COMPANY having applied to this Commission for authority to issue a note in the sum of \$7,393.05 and to pledge bonds as collateral therefor,

And a hearing having been held and it appearing that the purposes for which it desires to issue said note or notes are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that Los Angeles and San Diego Beach Railway Company be granted authority, and it is hereby granted authority, to issue its promissory note in the sum of \$7,393.05 to Colorado Fuel & Iron Company; said note to be dated February 1, 1917, to be payable at any time within two years and to bear interest at not more than 6 per cent per annum.

IT IS HEREBY FURTHER ORDERED that the applicant be granted authority, and it is hereby granted authority, to pledge as collateral for said note its first mortgage 5-1/2 per cent bonds in such ratio that the bonds pledged as security shall at no time be greater than 125 per cent of the face value of the note for which they are pledged as collateral.

The authority herein given is given upon the following conditions, and not otherwise:

1. On or before the 25th day of each month, applicant shall report to this Commission the action taken under this order.

- 2.

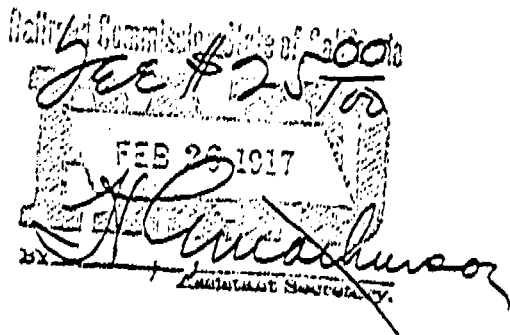
2. When the note herein authorized to be issued shall have been paid, the bonds shall be returned to applicant's treasury and thereafter issued only upon order of this Commission.

3. The authority herein given to applicant to issue said note is conditioned upon the payment by applicant of the fee prescribed under the Public Utilities Act.

4. The authority herein given shall apply to such note or notes as shall have been issued on or before June 30, 1917.

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 17th day of February, 1917.



Max Thelen
H. S. Howard
Frank R. Decker

Commissioners.