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ORIGINAL

Decision No. 8167.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of )  
HUMBOLDT TRANSIT COMPANY, )  
a corporation, for an order authori- )  
zing it to renew a \$4000.00 note and )  
continue an outstanding pledge of )  
eight of its First Mortgage 5% Sinking )  
Fund Thirty Year Gold Bonds to William )  
Butterworth, as collateral security. )

Application No. 6152.

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Myrick & Deering and Scott, by J.J. Harrington,  
for applicant.

BRUNDIGE, Commissioner.

O P I N I O N.

HUMBOLDT TRANSIT COMPANY asks permission to issue to William Butterworth a \$4,000.00 note bearing interest at the rate of 5 per cent. per annum and being payable on or before six months after date. The company also asks permission to issue and pledge as collateral security to secure the payment of the note, \$8,000.00 of its first mortgage 5 per cent. sinking fund gold bonds.

On September 30, 1915, Decision No. 2797, the Railroad Commission authorized Humboldt Transit Company to issue a \$4,000.00 note to finance the purchase of a tract of land, - the site for its car-house in the city of Eureka, and also authorized the company to secure the payment of the note by the deposit of \$8,000.00 of its first mortgage bonds. Applicant reports that it is not able to pay the note and it therefore asks permission to issue to the holder of the note a new note upon the same terms and conditions as apply to the note now outstanding.

I herewith submit the following form of Order.

O R D E R.

HUMBOLDT TRANSIT COMPANY having applied to the Railroad Commission for permission to issue a \$4,000.00 note and for authority to pledge \$8,000.00 of bonds, a public hearing having been held and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required for the purpose specified in this order and that the expenditures for such purpose are not in whole or in part reasonably chargeable to operating expenses or to income;

IT IS HEREBY ORDERED, that HUMBOLDT TRANSIT COMPANY be, and it is hereby, authorized to issue its promissory note for \$4,000.00 to William Butterworth, said note to bear interest at the rate of 5 per cent. per annum and to be payable on or before six months after date. To secure the payment of the note, Humboldt Transit Company is hereby authorized to issue and pledge to said William Butterworth \$8,000.00 of its first mortgage 5 per cent sinking fund gold bonds.

The authority herein granted is subject to the following conditions:

- 1.-- Humboldt Transit Company shall issue said note so as to net not less than the face value thereof and for the purpose of paying or refunding the \$4,000.00 note now held by William Butterworth and referred to in this application.
- 2.-- Upon the payment of the note herein authorized, the \$8,000.00 of bonds deposited as collateral shall be returned to applicant's treasury and shall thereafter

be issued only as permitted by an order of the Railroad Commission.

- 3.--Within 30 days after the note herein authorized to be issued shall have been issued and the bonds deposited as collateral, applicant shall file with the Railroad Commission a report as required by the Commission's General Order No. 24.
- 4.--The note herewith authorized shall be issued by applicant on or before November 15, 1920.

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 28<sup>th</sup> day of September, 1920.

H. J. Loveland  
Frank A. Sullivan  
H. T. Brundage

Commissioners.