

Decision No. 26054.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PEERLESS STAGES, INCORPORATED,)
a corporation, for an order validating) Application No. 18911
certain conditional sales agreement.)

ORIGINAL

Harry A. Encell, for applicant.

BY THE COMMISSION:

O P I N I O N

In this application Peerless Stages, Incorporated, asks the Railroad Commission to make its order validating and/or authorizing the execution of conditional sales contracts for the purchase of three buses.

Applicant reports that on April 20, 1932, it purchased from G. H. Gilbert, Receiver in Equity for Fageol Motors Company, three 37-passenger De Luxe Fageol Safety Coaches for the sum of \$34,845.00 under conditional sales contracts, whereby it paid \$5,775.00 upon signing the contracts and obligated itself to pay the balance of \$29,070.00 in twenty-four monthly installments, with interest at the rate of seven percent per annum. On June 1, 1933, the unpaid balance had been reduced to \$18,168.75.

The Commission heretofore has held that conditional sales contracts for the purchase of autostage equipment, providing for payment in whole or in part at periods later than one year after date of execution, are evidences of indebtedness coming within the purview

of Section 52 of the Public Utilities Act and that their execution should be authorized by the Commission.

In the present case, Peerless Stages, Incorporated, did not secure the consent of the Commission to execute the three contracts. It appears, however, that its failure to do so was through inadvertence and with no intent to evade the provisions of any law. When the matter was brought to its attention, it filed this application requesting an order validating and/or authorizing the execution of conditional sales contracts.

The order herein will authorize the company to execute contracts.

ORDER

Peerless Stages, Incorporated, having applied to the Railroad Commission for an order validating and/or authorizing the execution of conditional sales contracts, and the Commission being of the opinion that this is not a matter in which a public hearing is necessary, that the application should be granted, as herein provided, and that the money, property or labor procured or paid for through the execution of the contracts is reasonably required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED, that Peerless Stages, Incorporated, be, and it hereby is, authorized to execute conditional sales contracts covering the payment of \$18,168.75, payable in not more

than twenty-four monthly installments, for the purpose of financing in part the cost of the three Fageol buses referred to in this application, provided;

That the authority herein granted will not become effective until applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars.

DATED at San Francisco, California, this 12th day of June, 1933.

C. Deaver
Leon Whitely
M. J. Carr
M. B. Harris
W. H. [unclear]
Commissioners.

Fee \$25.00
RAILROAD COMMISSION
JUN 14 1933
R. J. [unclear]
Fee 30429