

Decision No. 27741

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
MERCHANTS EXPRESS CORPORATION,)
a corporation, for authorization to)
execute the Chattel Mortgage herein) Application No. 19815
set forth.)

Hettman & Scampini, for applicant.

BY THE COMMISSION:

ORDER

Merchants Express Corporation having applied to the Railroad Commission for permission to execute a chattel mortgage to secure the payment of two promissory notes in the total principal amount of \$25,000.00 and having asked permission to issue such notes to Bank of America National Trust and Savings Association and it appearing that the company proposes to use \$17,500. of the proceeds to be derived from the issue of the notes to pay an indebtedness of like amount due Bank of America National Trust and Savings Association and to use the remaining \$7,500.00 to provide itself with working capital, and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for through the issue of the notes is reasonably required by applicant for the purposes specified herein, that this is not a matter on which a hearing is necessary and that this application should be granted, as herein provided, therefore,

IT IS HEREBY ORDERED that Merchants Express Corporation be, and it hereby is, authorized to execute a chattel mortgage substantially in the same form as that filed in this proceeding as "Exhibit B" and to issue two six per cent promissory notes, to be secured by said chattel mortgage, in the total principal amount of

\$25,000.00; one note for \$20,000. to be payable at the rate of \$400. on the first day of July, 1935 and \$400. on the first day of each and every month thereafter to and including June 1, 1936; \$600. on the first day of July, 1936 and \$600. on the first day of each and every month thereafter to and including July 1, 1938 and \$200. on August 1, 1938; and the other note for \$5,000. to be payable at the rate of \$100. on the first day of July, 1935 and \$100. on the first day of each and every month thereafter to and including June 1, 1936 and \$150. on the first day of July, 1936 and \$150. on the first day of each and every month thereafter to and including July 1, 1938 and \$50. on August 1, 1938.

IT IS HEREBY FURTHER ORDERED that Merchants Express Corporation be, and it is hereby, authorized to use \$17,500. of the proceeds to be derived through the issue of the notes herein authorized, to pay an indebtedness of like amount to Bank of America National Trust and Savings Association and \$7,500. of the proceeds to provide itself with working capital.

IT IS HEREBY FURTHER ORDERED that the authority herein granted is subject to the following conditions:-

1. The authority herein granted to execute a chattel mortgage is for the purpose of this proceeding only and is granted only insofar as this Commission has jurisdiction under the terms of the Auto Truck Transportation Act and the Public Utilities Act and is not intended as an approval of such chattel mortgage as to such other legal requirements to which it may be subject.
2. Applicant shall keep such record of the notes herein authorized and of the disposition of the proceeds as will enable it to file a report or reports such as is required by the Commission's General Order No. 24, which order insofar as applicable is made a part of this order.

3. The authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars.

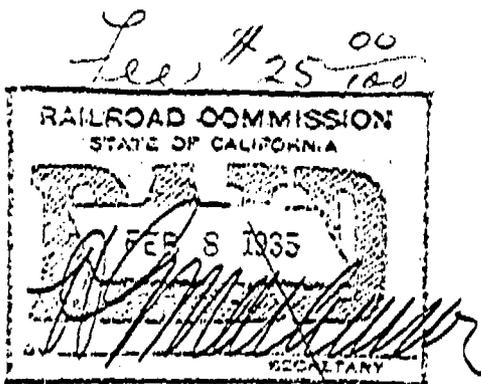
DATED at San Francisco, California, this 6th day of February, 1935.

Leon Cavittell

M. B. Harris

Frank R. Dwyer

Commissioners.



Fee # 31186