

Decision No. 28353

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
PARR-RICHMOND TERMINAL CORPORATION,
LTD., a corporation, for an order
authorizing its issuance of refunding
notes in favor of The Mechanics Bank
of Richmond, American Trust Company,
and Morrison, Hohfeld, Foerster,
Shuman & Clark, respectively.

ORIGINAL

Application No. 20215

BY THE COMMISSION:

OPINION AND ORDER

This is an application by Parr-Richmond Terminal Corporation for authority to issue notes in the aggregate amount of \$32,855.47 for the purpose of refunding outstanding indebtedness.

The application shows that the corporation is engaged in the business of a public wharfinger at Richmond and in dealing in industrial lands. It appears that in the conduct of its operations, including its non-utility operations, it has from time to time issued certain promissory notes. As of October 1, 1935 there was due on such notes the sum of \$58,416.59. Included in the \$58,416.59 are four notes now due and which applicant proposes to refund. The notes are the following:-

<u>Payee</u>	<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate %</u>	<u>Amount</u>
American Trust Company	3/ 1/1929	3/ 1/1930	6½	\$ 8,053.26
American Trust Company	5/28/1930	5/28/1931	6½	4,711.71
The Mechanics Bank of Rich- mond	12/31/1934	6/30/1935	6	6,090.50
Morrison, Hohfeld, Foerster, Shuman & Clark	1/ 1/1935	1 day	5	<u>14,000.00</u>
				Total..... <u>\$32,855.47</u>

It is reported that the amounts due American Trust Company represent unpaid balances on notes of \$25,000. and \$5,500., originally issued in the purchase of non-operative real property located in

Richmond and at the Outer Harbor of Richmond. The \$6,090.50 note to The Mechanics Bank of Richmond is the unpaid portion of an original indebtedness of \$10,000. incurred for the payment of interest and other current operating items, while the \$14,000. note to Morrison, Hohfeld, Foerster, Shuman & Clark, which has been reduced from \$15,000. represents unpaid legal expenses running over a period of years, commencing on January 1, 1930.

The company's financial statement shows that it has not sufficient cash on hand to make payment of the aforesaid notes. The application indicates that it has made arrangements to renew the four obligations through the issue of four new notes in the amounts of unpaid balances, the notes to be dated as of October 1, 1935 and to bear interest at the same rates of interest now applying on the notes now outstanding.

Copies of the proposed notes are attached to the application as Exhibits "B", "C", "D" and "E".

The \$8,053.26 note will be payable in monthly installments of \$100. commencing November 30, 1935 with final payment of the unpaid balance on October 1, 1936; the \$4,711.71 note will be payable in monthly installments of \$50. commencing November 30, 1935 with final payment of the unpaid balance on October 1, 1936; the \$6,090.50 note will be payable on demand, and if no demand is made, then six months after date; and the \$14,000. note will be payable in an installment of \$500. on account of the principal on or before November 25, 1935, and a like installment of \$500. on or before December 25, 1935, and an installment of \$1,000. per month on or before the twenty-fifth day of each month commencing with January 25, 1936 and continuing thereafter until the entire principal shall be paid.

The payment of the two notes to be issued to the American Trust Company will be secured by a deed, or deeds, of trust covering

non-operative properties, while the notes to The Mechanics Bank of Richmond, and Morrison, Hohfeld, Foerster, Shuman & Clark will be unsecured.

The Commission is 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 to be procured or paid for through the issue of the notes is reasonably required by applicant, therefore,

IT IS HEREBY ORDERED that Parr-Richmond Terminal Corporation be, and it hereby is, authorized to issue, on or before December 31, 1935, its promissory notes in the aggregate face amount of \$32,855.47, such notes to be substantially in the same form as those filed with the application herein, as Exhibits "B", "C", "D" and "E", provided,

1. That applicant shall file with the Commission within thirty (30) days after each issue, a copy of each note as actually executed under the authority herein granted; and
2. That the authority herein granted will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Thirty-three (\$33.00) Dollars.

DATED at San Francisco, California, this 12th day of November, 1935.

Fee \$ 33⁰⁰/₁₀₀

RAILROAD COMMISSION
STATE OF CALIFORNIA

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SECRETARY

Fee # 31713

Leon Whitell
M. A. Carr

W. H. Jones
Dr. A. R. Jewell
COMMISSIONERS.