

LBM

Decision No. 29375

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the)
LOS ANGELES RAILWAY CORPORATION)
and)
CITY RAILWAY COMPANY OF LOS ANGELES)
for an order authorizing the issuance)
and exchange of securities and for an)
order authorizing the transfer and)
sale of the properties of the City Rail-)
way Company of Los Angeles to Los)
Angeles Railway Corporation.)

Application No. 20714

ORIGINAL

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER

Applicants in a supplemental petition filed on November 30, 1936 in the above entitled matter, report that they may be unable to consummate, prior to December 31, 1936, the several transactions authorized by Decision No. 29086 dated August 31, 1936. They ask the Commission to extend to January 31, 1937 the time to consummate such transactions.

They also report that counsel representing the Trustees of the Huntington Library and Art Gallery and of the Collis P. and Howard Huntington Memorial Hospital, and counsel representing the Title Insurance and Trust Company have insisted upon certain changes being made in the trust indenture filed as Exhibit D, at the hearing held by the Commission in this matter on August 21, 1936. Applicants have filed in this proceeding as Exhibit "Q" a copy of the revised trust indenture. Among other things the revised trust indenture provides that the bonds issued thereunder shall be dated December 1, 1936, shall bear interest at the rate of 5% per annum, payable semi-annually on the first day of June and December of each year and that said bonds shall mature on December 1, 1971. The revised trust indenture also provides for the issue of registered as well as coupon bonds. Under the

revised indenture the Los Angeles Railway Corporation is entitled to a credit on the sinking fund payment which is mentioned in the Commission's Decision No. 29086 in the full amount by which capital expenditures actually made by it during the year for which a sinking fund payment is due for new street cars, motor coaches and other equipment exceeds the amount of depreciation for such year computed under the provisions of the indenture. Other changes appear in said Exhibit "Q" to which reference is here made. Los Angeles Railway Corporation asks permission to execute a trust indenture in or substantially in the same form as that filed herein as Exhibit "Q".

The Commission has considered the requests of applicants and believes that they should be granted by the amendment of its order in Decision No. 29086 dated August 31, 1936, as herein provided, therefore,

IT IS HEREBY ORDERED as follows:-

1. Paragraph one of the order in Decision No. 29086 dated August 31, 1936 reading-

"City Railway Company of Los Angeles may, after the effective date hereof and prior to December 31, 1936, transfer and sell all of its properties to the Los Angeles Railway Corporation",

be, and the same is hereby amended so as to read-

City Railway Company of Los Angeles may, after the effective date hereof and prior to January 31, 1937, transfer and sell all of its properties to the Los Angeles Railway Corporation.

2. Paragraph two of the order in Decision No. 29086 dated August 31, 1936 reading-

"Los Angeles Railway Corporation may, after the effective date hereof and prior to December 31, 1936, execute a trust indenture substantially in the same form as the trust indenture filed in this proceeding as Exhibit "D". (Draft Aug. 20, 1936, filed Aug. 21, 1936) provided that the authority herein given to execute such trust indenture is for the purpose of this proceeding only, and is given only insofar as this Commission has jurisdiction under the terms of the Public Utilities Act, and is not intended as an approval of said trust indenture as to such other legal requirements to which it may be subject; and provided further that said trust indenture may not hereafter be amended or modified except as authorized by the Railroad Commission, "

be, and the same is hereby, amended so as to read-

Los Angeles Railway Corporation may, after the effective date hereof and prior to January 31, 1937, execute a trust indenture substantially in the same form as the trust indenture filed in this proceeding as Exhibit "Q", provided that the authority herein given to execute such trust indenture is for the purpose of this proceeding only, and is given only insofar as this Commission has jurisdiction under the terms of the Public Utilities Act and is not intended as an approval of such trust indenture as to such other legal requirements to which it may be subject; and provided further, that said trust indenture may not hereafter be amended or modified except as authorized by the Railroad Commission.

3. Paragraph three of the order in Decision No. 29086 dated August 31, 1936, reading-

"Los Angeles Railway Corporation may, after the effective date hereof and prior to December 31, 1936, issue at not less than the par value thereof, \$9,000,000. of its general mortgage 5% bonds dated October 1, 1936 and due October 1, 1971, for the purpose of refunding the following bonds:-

Los Angeles Railway Company first mortgage 5% bonds due October 1, 1938	\$ 95,000.
City Railway Company of Los Angeles first mortgage 5% bonds due February 1, 1941	2,813,000.
Los Angeles Railway Corporation first and refunding mortgage 5% bonds due Decem- ber 1, 1940	6,092,000. "

be, and the same is hereby, amended so as to read-

Los Angeles Railway Corporation may, after the effective date hereof and prior to January 31, 1937 issue at not less than the par value thereof \$9,000,000. of its general mortgage 5% bonds dated December 1, 1936 and due December 1, 1971 for the purpose of refunding the following bonds:-

Los Angeles Railway Company first mortgage 5% bonds due October 1, 1938	\$ 95,000.
City Railway Company of Los Angeles first mortgage 5% bonds due February 1, 1941	2,813,000.
Los Angeles Railway Corporation first and refunding mortgage 5% bonds due Decem- ber 1, 1940	6,092,000.

4. Paragraph four of the order in Decision No. 29086 dated August 31, 1936 reading-

"Los Angeles Railway Corporation may, after the effective date hereof and prior to December 31, 1936, issue at not less than its par value, \$8,954,400. par value of noncumulative 5% preferred stock for the purpose of refunding the indebtedness payable to the Huntington Estate and affiliated interests mentioned in this application,"

be, and the same is hereby, amended so as to read-

Los Angeles Railway Corporation may, after the effective date hereof and prior to January 31, 1937 issue at not less than its par value \$8,954,400. par value of noncumulative 5% preferred stock for the purpose of refunding the indebtedness payable to the Huntington Estate and affiliated interests mentioned in this application.

IT IS HEREBY FURTHER ORDERED that the provisions of the order in Decision No. 29086 dated August 31, 1936 shall remain in full force and effect, except as amended by this First Supplemental Order.

DATED at San Francisco, California, this 15th day of December, 1936.

W B Lewis

Nathaniel W. Brown
James R. W. Brown

Commissioners.