

Decision No. 32286

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
MITCHELL SILLIMAN COMPANY,
to execute Trust Deed and Mortgage
of Chattels and issue its note in
the principal amount of \$30,000.00.

ORIGINAL

Application No. 22905

BY THE COMMISSION:

OPINION AND ORDER

Mitchell Silliman Company, a corporation engaged in the public utility warehouse business in the Salinas Valley, asks permission to execute a deed of trust and a mortgage of chattels and to issue its promissory notes in the principal amount of \$30,000.

The application shows that the company has borrowed the sum of \$30,000 from the Monterey County Trust and Savings Bank on a short term basis for the purpose of financing in part the cost, reported at \$37,296.68, of erecting its plant recently completed at Camphora Station and of making improvements to its properties at Salinas. It appears that it now has made arrangements with the bank to finance its indebtedness on a longer term basis through the issue of two notes, one for \$10,000 payable on demand with interest at the rate of six per cent. per annum, and the other for \$20,000 payable in annual installments of \$2,000 commencing December 1, 1939, with interest at the rate of six per cent. per annum. The notes will be secured by a deed of trust and a mortgage of chattels.

Copies of the proposed instruments have been filed with the application and appear to be in satisfactory form. The Commission has considered the request of the company and is of the opinion that a

public hearing is not necessary, that the money, property or labor to be procured or paid for through the issue of the notes is reasonably required for the purpose specified herein and that the expenditures for such purpose are not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

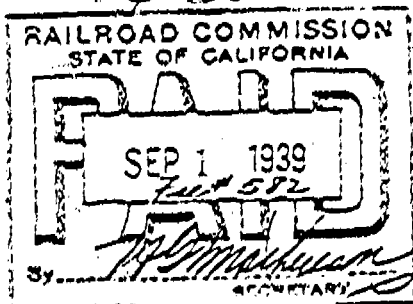
IT IS HEREBY ORDERED that Mitchell Silliman Company be, and it hereby is authorized to execute a deed of trust and a mortgage of chattels in or substantially in the same form as the indentures filed with the application and marked "Exhibit A", provided that the authority herein granted is for the purpose of this proceeding only and is given only insofar as this Commission has jurisdiction under the Public Utilities Act and is not intended as an approval of said instruments as to such other legal requirements to which they may be subject.

IT IS HEREBY FURTHER ORDERED that Mitchell Silliman Company be, and it hereby is authorized to issue its six per cent. promissory notes in the principal amount of \$30,000 for the purpose of paying indebtedness of like amount in favor of Monterey County Trust and Savings Bank now outstanding.

The authority herein granted is subject to the following conditions:-

1. Within thirty(30) days after the issue of the notes and the execution of the deed of trust and mortgage of chattels, applicant shall advise the Commission, in writing, of that fact.
2. The authority herein granted shall become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Thirty(\$30) Dollars.

DATED at San Francisco, California, this 30th day of August, 1939.



[Signature]
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COMMISSIONERS