ORIGINAL

Decision No. 34449

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of PACIFIC GREYHOUND LINES, a corporation, for authority to execute application No. 24349 conditional sale contracts for the purchase of buses.

BY THE COMMISSION:

## OPINION AND ORDER

This is an application by Pacific Greyhound Lines for an order authorizing it to execute conditional sale contracts to finance in part the cost of twenty 45-passenger transit type motor coaches, Model TD4502, to augment the present fleet of motor bus equipment operated by it in local service in California, particularly in service in the Peninsula territory between San Francisco and San Jose.

It appears from the application that the company has made arrangements to acquire the twenty coaches from Yellow Truck and Coach Manufacturing Company for the total sum of \$256,000. Of the purchase price, applicant will pay about \$56,000 in cash. To represent the balance (\$200,000) due, applicant will execute conditional sale contracts. Such balance is payable in twenty consecutive quarterly payments with interest thereon at the rate of 23% per annum. The seller of the equipment will assign the conditional sale

contracts with the deferred balances of \$100,000 owing thereunder to the American Trust Company and \$100,000 to the Anglo-California National Bank, both of San Francisco, California.

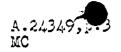
A copy of the proposed conditional sale contract is filed in this proceeding as Exhibit A.

The Commission has given consideration to this application and is of the opinion that it is not a matter on which a public hearing is necessary, that the request of the company should be granted, as herein provided, that the money, property or labor to be procured or paid for is reasonably required by applicant for the purpose specified herein and that the expenditures for said purpose are not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED that Pacific Greyhound Lines be, and it hereby is, authorized to execute, on or before December 31, 1941, conditional sale contracts in, or substantially in, the same form as that filed in this proceeding as Exhibit A, providing, among other things, for deferred payments, aggregating \$200,000, for the purchase of twenty 45-passenger motor coaches.

IT IS HEREBY FURTHER ORDERED that Pacific Greyhound Lines shall file with the Commission a copy of each conditional sale contract executed under the authority herein granted within thirty (30) days after such execution.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective when Pacific Greyhound Lines has paid the fee prescribed by Section 57 of the Public



Utilities Act, which fee is Two Hundred (\$200.00) Dollars.

Dated at San Francisco, California, this 292

day of July, 1941.

France P. Georgian

France P. Havenur

Commissioners.

RAILROAD COMMISSION
STATE OF CALIFORNIA

AUG 1 1941

SECRETARY