

ORIGINAL

Decision No. 35096

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of
P. B. HACKLEY, JR.,
doing business as Mendocino Transit
Company, for Authority to Issue Note
and Mortgage.

Application No. 24798

BY THE COMMISSION:

OPINION AND ORDER

P. B. Hackley, Jr. doing business as Mendocino Transit Company is engaged in conducting an automotive service as a passenger stage corporation between Fort Bragg and Santa Rosa and intermediate points, exclusive of local daily service between Cloverdale and Santa Rosa. This business is being conducted under a certificate of public convenience and necessity granted to Mendocino Transit Company, a corporation, by Decision No. 34293, dated June 10, 1941, in Application No. 23616, and authorized to be transferred to applicant by Decision No. 34761, dated November 18, 1941, in Application No. 24529.

Applicant has recently acquired, at a cost of \$4,050.00, a 16-passenger motor coach. He will use the same in said passenger service. To pay in part for said motor coach, applicant has arranged to borrow \$3,345.00 from Fidelity Acceptance Corporation of Berkeley, California.

Applicant asks permission to issue to said Fidelity Acceptance Corporation his note for \$3,345.00 and to secure the payment of the note by the execution of a mortgage of chattels which will be a lien on said motor coach. The note, including interest, is payable in twenty-three successive monthly installments of \$158.00. The first installment is payable on March 15, 1942, and the final installment on February 15, 1944. A copy of the note and a copy of the mortgage of chattels are filed in this proceeding as Exhibit A and Exhibit B, respectively.

The Commission has considered applicant's request and is of the opinion that this is not a matter on which a hearing is necessary; that the issue of said note by said P. B. Hackley, Jr. is reasonably necessary for the purpose of paying in part the cost of said motor coach; that the expenditures for said purpose are not, in whole or in part, reasonably chargeable to operating expenses or to income, and that this application should be granted subject to the provisions of this order, therefore,

IT IS HEREBY ORDERED that P. B. Hackley, Jr. be, and he is hereby, authorized to issue, after the effective date hereof and on or before June 30, 1942, to Fidelity Acceptance Corporation his note for the sum of \$3,345.00, said note to be in substantially the same form as the note filed in this proceeding as Exhibit A, and to secure the payment of said note by the execution of a mortgage of chattels in substantially the same form as the mortgage of chattels filed in this proceeding as Exhibit B, provided that the authority herein granted to execute a mortgage of chattels is for the purpose of this proceeding only, and is granted only

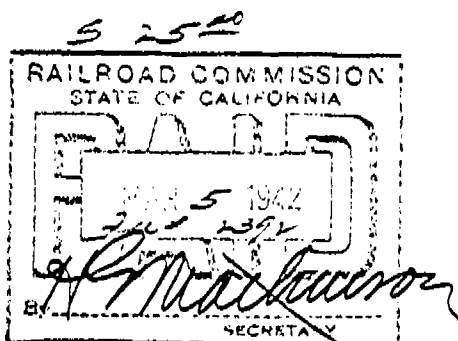
insofar as this Commission has jurisdiction under the terms of the Public Utilities Act and is not intended as an approval of said mortgage of chattels as to such other legal requirements to which said mortgage of chattels may be subject.

IT IS HEREBY FURTHER ORDERED that P. B. Hackley, Jr. shall use the proceeds realized through the issue of said note to pay in part the cost of the motor coach referred to in this Opinion and Order.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when P. B. Hackley, Jr. has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which minimum fee is Twenty-five (\$25.00) Dollars.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the issue of said note and the execution of said mortgage of chattels P. B. Hackley, Jr. shall file with the Railroad Commission a true and correct copy of the note issued and a true and correct copy of the mortgage of chattels executed under the authority herein granted, and shall further file with the Commission a statement showing the purposes for which he expended the proceeds realized through the issue of said note.

Dated at Los Angeles, California, this 3rd day of March, 1942.



Justin L. Casper
Ray R. Riley
[Signature]
Francis R. Haveran
[Signature]
Commissioners