

ORIGINAL

Decision No. 35427

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application

of

P. B. HACKLEY, JR.,

Application No. 25021

doing business as Mendocino Transit  
Company, for Authority to Issue Two  
Notes and Two Mortgages.

BY THE COMMISSION:

OPINION AND ORDER

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

Applicant asks permission to issue to Fidelity Acceptance & Thrift Company of Berkeley, California, his

promissory note in the amount of \$825.81, payable in successive monthly installments of Sixty (\$60.00) Dollars each, including interest charges, the first of which installments is payable on July 10, 1942. To secure the payment of this note, applicant asks permission to execute a chattel mortgage, which will be a lien on one (1) Ford 11A Station Wagon, Model 1941, Motor No. 18-6581398. A copy of the proposed chattel mortgage and note is on file in this proceeding as Exhibit "A."

Applicant further asks permission to issue to Fidelity Acceptance & Thrift Company of Berkeley, California, his promissory note in the amount of \$906.42, payable in successive monthly installments of Sixty Five and 50/100 (\$65.50) Dollars each, including interest, the first of which installments is payable on July 10, 1942. To secure the payment of this note, applicant asks permission to execute a chattel mortgage which will be a lien on one (1) Mercury Station Wagon, Model 1941, Motor No. DR58060. A copy of this note and chattel mortgage is on file in this proceeding as Exhibit "B."

Through the issue of the two notes, applicant will realize \$1,732.23. Of the proceeds so realized, applicant will use \$1,082.23 to pay the balance due on the purchase price of said Ford and Mercury Station Wagons. The remaining \$650, together with other funds on hand, will be used by applicant to make a down payment of \$1,150 on the purchase of a new 21-passenger Metropolitan Type bus. The total cost of this bus is reported at \$5,051.70. It is being acquired under a conditional sales contract providing for the full payment

of the purchase price within a period of one year.

The Commission has considered applicant's requests and is of the opinion that the issue of the notes and the execution of the chattel mortgages herein authorized are reasonably required by applicant for the purpose of paying indebtedness and acquiring new equipment; that this is not a matter on which a hearing is necessary, and that applicant's requests should be granted subject to the provisions of this order, therefore

IT IS HEREBY ORDERED as follows:

1. P. B. Hackley, Jr. may, after the effective date hereof and on or before July 31, 1942, issue to Fidelity Acceptance & Thrift Company of Berkeley, California, his promissory note in the amount of \$825.81, and execute a chattel mortgage to secure the payment of said note, said note and chattel mortgage to be in substantially the same form as the note and chattel mortgage on file in this proceeding as Exhibit "A."

2. P. B. Hackley, Jr. may, after the effective date hereof and on or before July 31, 1942, issue to Fidelity Acceptance & Thrift Company of Berkeley, California, his promissory note in the amount of \$906.42, and execute a chattel mortgage to secure the payment of said note, said note and said chattel mortgage to be in substantially the same form as the note and chattel mortgage on file in this proceeding as Exhibit "B."

3. The proceeds realized through the issue of said notes shall be used by said P. B. Hackley, Jr. to pay the

balance due on the Ford Station Wagon and the Mercury Station Wagon, to which reference is made herein, and to pay, in part, the cost of a new 21-passenger Metropolitan Type bus described in applicant's petition.

4. The authority herein granted to execute chattel mortgages 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 chattel mortgages as to such other legal requirements to which said chattel mortgages may be subject.

5. 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.

6. Within thirty (30) days after the issue of said notes and the execution of said chattel mortgages, P. B. Hackley, Jr. shall file with the Railroad Commission a true and correct copy of each note and a true and correct copy of each chattel mortgage executed under the authority herein granted, together with a statement showing the purposes for which he expended the proceeds realized through the issue of said notes.

Dated at San Francisco, California, this 2nd day of June, 1942.

Justus J. Calles  
Ray L. Rice

Richard Jackson  
Commissioners.

