

Decision No. 36407

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
A. J. CHAPIN, d/b/a North Sacramento
Stage Line, to issue a note and chattel
mortgage for the purpose of refunding
a certain note and chattel mortgage
authorized to be issued by the Railroad
Commission and other indebtedness not
so authorized.

ORIGINAL

Application
No. 25626

BY THE COMMISSION:

O P I N I O N

A. J. Chapin, d/b/a North Sacramento Stage Line, asks permission to issue an installment note for the principal sum of \$33,750 for the purpose of refunding indebtedness and to execute a mortgage of chattels to secure the payment of such note.

Applicant heretofore under the Commission's authority granted by Decision No. 35778, dated September 15, 1942, issued to the Bank of America National Trust and Savings Association, North Sacramento Branch, his installment note for the principal sum of \$15,000. There now remains due and payable on this note the sum of \$10,766.50.

Since September 16, 1942, the date on which appli-

cant acquired the North Sacramento Stage Line properties from W. H. Pimentel, applicant found it necessary to acquire additional equipment at a cost of \$33,201.25. There is now due on this equipment a balance of \$20,280.96. The \$20,280.96 plus the \$10,766.50 totals \$31,047.46. Applicant proposes to pay this indebtedness through the issue to the Capital National Bank of Sacramento his note for the sum of \$33,750. This includes interest at the rate of 4% per annum. The \$33,750 is payable in monthly installments of \$1,406.25, beginning in June, 1943 and continuing to and including May, 1945, at which time the then entire unpaid balance of the note becomes due and payable.

To secure the payment of the note, applicant asks permission to execute a mortgage of chattels which will be a lien on 14 motor buses, a pick-up truck, and an automobile. A copy of the proposed note and a copy of the proposed mortgage of chattels are filed in this proceeding as Exhibit "A."

From September 16, 1942 to March 31, 1943, applicant's financial statements on file with the Commission show a profit of \$9,538.57.

O R D E R

The Commission having considered applicant's request and it being of the opinion that this is not a matter on which a hearing is necessary; that the money, property or labor to be procured or paid for through the issue of the note herein authorized is reasonably required by applicant for the purpose

herein stated, and that this application should be granted subject to the provisions of this Order, therefore

IT IS HEREBY ORDERED, as follows:

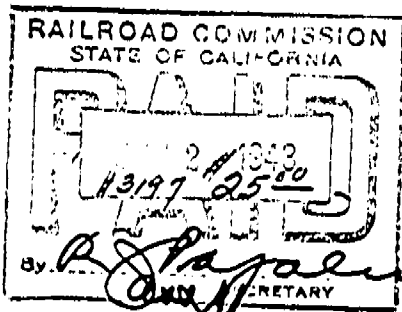
1. A. J. Chapin, d/b/a North Sacramento Stage Line, may, after the effective date hereof and on or before July 31, 1943, issue his note for the sum of not exceeding \$33,750 for the purpose of paying the indebtedness to which reference is made in this application, said note to be in substantially the same form as the note filed in this proceeding as Exhibit "A."

2. A. J. Chapin, d/b/a North Sacramento Stage Line, may, after the effective date hereof and on or before July 31, 1943, for the purpose of securing the payment of said note, execute a mortgage of chattels in substantially the same form as the mortgage of chattels filed in this proceeding as Exhibit "A," 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.

3. The authority herein granted will become effective when A. J. Chapin, d/b/a North Sacramento Stage Line, has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which minimum fee is Twenty-five (\$25.00) Dollars.

4. Within thirty (30) days after the issue of said note and the execution of said mortgage of chattels, A. J. Chapin, d/b/a North Sacramento Stage Line, shall file with the Railroad Commission a copy of the note issued and a copy of the mortgage of chattels executed under the authority herein granted, together with a statement showing the purpose or purposes for which he expended the proceeds realized through the issue of said note.

Dated at San Francisco, California, this 1st day of June, 1943.



Francis W. Havenner
J. J. Ball
Justus J. Casper
Richard Kackel
Frank A. Cross
Commissioners.