

Decision No. 37104

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
PASADENA CITY LINES, INC.

for an Order Authorizing Applicant to issue its promissory note; to place a lien of chattel mortgage on certain of the Applicant's properties to secure repayment of said note, and to use the proceeds of said note for the purpose specified herein.

ORIGINAL

Application No. 26156

BY THE COMMISSION:

O P I N I O N

Pasadena City Lines, Inc., hereinafter sometimes referred to as Applicant, asks permission to issue to The Anglo California National Bank of San Francisco its promissory note for the sum of \$55,000, payable in sixty equal consecutive monthly installments with interest at the rate of 2½% per annum, payable monthly. It further asks permission to secure the payment of such note by the execution of a chattel mortgage on the five motor coaches to which reference is made hereafter.

A copy of Applicant's proposed note and a copy of its proposed chattel mortgage are filed in this application

as Exhibit B and Exhibit C, respectively.

Applicant, with the approval of the Office of Defence Transportation, purchased from GMC Truck and Coach Division, General Motors Corporation, five new "GM" TGH 4006 transit type 40-passenger gasoline powered motor coaches. The aggregate cost, including freight, of the five coaches is reported at \$61,249.90. To finance the purchase of the coaches, Applicant has made arrangements to borrow \$55,000 from The Anglo California National Bank of San Francisco. The payment of the loan will be secured by a chattel mortgage which will be a lien on the five motor coaches. The payment of the note will be further guaranteed by Pacific City Lines, Inc. who owns all of Applicant's outstanding stock.

Applicant's petition shows that it needs the five new motor coaches to handle the increase in its business.

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 by the issue of the note herein authorized is reasonably required by Applicant for the purpose herein stated; 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 sub-

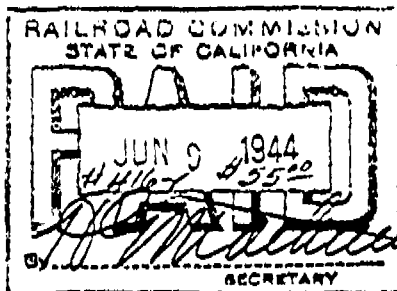
ject to the provisions of this Order, therefore,

IT IS HEREBY ORDERED that Pasadena City Lines, Inc. be, and it is hereby, authorized to execute, after the effective date hereof and on or before September 1, 1944, a chattel mortgage in, or substantially in, the same form as that filed in this proceeding as Exhibit C, and to issue a promissory note for the principal sum of \$55,000 in, or substantially in, the same form as that filed in this proceeding as Exhibit B. The proceeds realized through the issue of said note shall be used by Applicant to finance, in part, the purchase of said five motor coaches.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when Pasadena City Lines, Inc. has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Fifty-five (\$55.00) Dollars.

IT IS HEREBY FURTHER ORDERED that Pasadena City Lines, Inc. shall file with the Railroad Commission within thirty (30) days after their execution and delivery, a copy of the chattel mortgage and a copy of the note executed and delivered under the authority herein granted, together with a statement showing the purpose for which it expended the \$55,000.

Dated at San Francisco, California, this 6th day of June, 1944.



Richard L. ...
Justin J. ...
Francis R. ...
...
...
Commissioners.