

Decision No. 37957

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of
DALE C. RAMSEY doing business as
Valley Truck Co. for an order
authorizing issue of note and chattel
mortgage.

Application
No. 26673

BY THE COMMISSION:

O P I N I O N

Applicant, Dale C. Ramsey, doing business under the name of Valley Truck Co., asks permission to issue to Bank of America National Trust and Savings Association his promissory note in the principal sum of \$25,000 and execute a chattel mortgage and conditional sales contracts for the purpose of acquiring truck equipment and provide himself with working capital.

The Commission, by Decision No. 37695, dated February 27, 1945, in Application No. 24211, granted applicant a certificate of public convenience and necessity for the transportation of certain commodities between the points mentioned in said decision.

Applicant, at a cost of about \$25,000, intends to acquire two new GMC tractors, two new utility semi-trailers, and two used pick-up trucks. Applicant alleges that he needs about \$10,000 for working capital to maintain his transportation service.

The \$35,000 note is payable in monthly installments. The initial payment is \$972.30 and the remaining 35 consecutive monthly payments amount to \$972.22 each. The deferred payments bear interest at the rate of 4 per cent per annum, payable monthly. To secure the payment of the note, applicant asks permission to execute a mortgage of chattels which will be a lien on his present truck equipment. The loan will be further secured by assigning to the bank conditional sales contracts executed at the time the new equipment is purchased. A copy of the proposed note, mortgage of chattels, and conditional sales contracts are on file in this application.

The Commission is advised that as soon as it grants this application, Dale C. Ramsey will execute the note and mortgage for \$35,000. The bank will then make available to him \$10,000 in cash which he will use for working capital and the maintenance of his service. Further funds will be made available to him, if and when he is able to obtain the additional equipment. Upon the purchase of such equipment he will execute conditional sales contracts which vest the title to the equipment in the bank until the loan is paid. Such contracts will serve as additional security for the \$35,000 loan.

O R D E R

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 money, property or labor to be procured or paid for by applicant through the issue of a \$35,000 note is

reasonably required by applicant for the purposes specified herein, and that this application should be granted subject to the provisions of this order; therefore,

IT IS HEREBY ORDERED as follows:

1. Dale C. Ramsey, doing business as Valley Truck Co., may, on or before November 30, 1945, issue to the Bank of America National Trust and Savings Association his promissory note in the sum of not exceeding \$35,000 and secure the payment of such note by the execution of a mortgage of chattels and conditional sales contracts, said note, said mortgage of chattels and said conditional sales contracts to be in substantially the same form as the note, mortgage of chattels, and conditional sales contracts on file in this application. Dale C. Ramsey may use not exceeding \$10,000 of the proceeds realized through the issue of said note for the maintenance of his service and working capital and not exceeding \$25,000 for the purchase of the additional equipment to which reference is made in this application.

2. The authority herein granted will become effective when Dale C. Ramsey has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Thirty-five (\$35.00) Dollars.

3. Within thirty (30) days after the purchase of said equipment, Dale C. Ramsey shall file with the Railroad Commission a copy of the note, a copy of the mortgage of chattels, and a copy of each conditional sales contract executed under the

authority herein granted, together with a statement showing the purposes for which he expended the proceeds of said note.

Dated at San Francisco, California, this 5th day of June, 1945.

David C. ...
Justice F. ...
Richard ...
Francis ...
James ...
 Commissioners

