

Decision No. 37971

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

**ORIGINAL**

In the Matter of the Application of A. J. CHAPIN and IONE C. CHAPIN, his wife, d/b/a CALTRANSIT, to issue a note and chattel mortgage on certain automotive equipment as security for the payment of said note.

Application  
No. 26762

BY THE COMMISSION:

O P I N I O N

A. J. Chapin and Ione C. Chapin, his wife, d/b/a Caltransit, ask permission to issue to The Capital National Bank of Sacramento their promissory note for \$15,237.90 and execute a mortgage of chattels to secure the payment of the note. A copy of the proposed note and a copy of the proposed mortgage of chattels are on file in this application.

Applicants are the owners of an automotive passenger stage line operating under the name and style of Caltransit, rendering general passenger stage service in and around Salinas.

Applicants propose to purchase two 27-passenger new 1945 Ford Transit Buses at a cost of \$12,852.64. To pay for the buses applicants ask permission to issue to The Capital National Bank of Sacramento their promissory note for \$15,237.90. This includes the cost of the buses and prepaid interest of \$1,385.26. The note is payable in thirty monthly installments.

of \$507.93, the first payment being due on June 15, 1945, and final payment on November 19, 1947. The prepaid interest is calculated at the rate of four per cent per annum.

Applicants report that they need the two new buses to replace obsolete and worn-out equipment and to enable them to handle more efficiently the volume of traffic.

O R D E R

The Commission has considered applicants' requests 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 through the issue of said note is reasonably required by applicants for the purposes herein stated and that this application should be granted as herein provided; therefore,

IT IS HEREBY ORDERED as follows:

1. A. J. Chapin and Ione C. Chapin, his wife, d/b/a Caltransit, may, after the effective date hereof and on or before September 30, 1945, issue to The Capital National Bank of Sacramento their promissory note in the sum of not exceeding \$15,237.90 and execute a mortgage of chattels to secure the payment of said note, said note and said mortgage of chattels to be in substantially the same form as the note and mortgage of chattels on file in this application.

2. A. J. Chapin and Ione C. Chapin, his wife, d/b/a Caltransit, shall use the proceeds realized through the issue of

said note to pay the cost of two 27-passenger new Ford Transit Buses and the interest referred to in this application.

3. The authority herein granted will become effective when applicants, or either of them, have paid the fee prescribed by Section 57 of the Public Utilities Act.

4. Within thirty (30) days after the issue of said note and the execution of said mortgage of chattels, A. J. Chapin and Ione C. Chapin, his wife, d/b/a Caltransit, shall file with the Railroad Commission a true, correct and complete copy of the note issued and of the mortgage of chattels executed under the authority herein granted, together with a statement showing the purpose for which they expended the proceeds realized through the issue of said note.

Dated at San Francisco, California, this 12<sup>th</sup> day of June, 1945.

L. Harold Rudman  
Justus F. Cooper  
Richard H. Chase  
Francis W. Clark  
James H. Luce  
 Commissioners

RAILROAD COMMISSION  
 STATE OF CALIFORNIA  
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W. M. McArthur  
 SECRETARY