

ORIGINAL

Decision No 39922

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
PUBLIC FREIGHT SYSTEM, a corporation,)
for authority under section 52 of the)
Public Utilities Act to borrow money)
and to execute long-term promissory)
note secured by chattel mortgage.)

Application
No. 28111

OPINION AND ORDER

Public Freight System, applicant herein, is a corporation engaged in business as a highway common carrier in Southern California.

It appears that during 1946 applicant acquired twenty-five units of equipment at a cost of \$56,471.45 and that it has financed such cost in part through the issue of indebtedness payable on or before twelve months after date of issue consisting of a conditional sales contract with Fruehauf Trailer Co. of California, now in the amount of \$10,625, and a note in favor of Bank of America, now in the amount of \$28,500, the two items aggregating \$39,125.

The corporation now proposes to refinance its outstanding indebtedness through the issue of a new note to Bank of America National Trust and Savings Association in the principal amount of \$39,125, said note to be secured by a mortgage of chattels and to be payable as follows:

\$1000 one month after issue hereof, and \$1000 each and every month thereafter for thirty-three months, and at the rate of \$427 a month for the next eleven months with a final payment of \$428, together with interest at the rate of 6 percent per annum on

deferred balances. A copy of the note and mortgage of chattels has been filed in this proceeding as Exhibit "A".

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the issue of said note is reasonably required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:-

1. Public Freight System, after the effective date hereof and on or before March 31, 1947, may issue a note in the principal amount of \$39,125 and execute a mortgage of chattels, in, or substantially in the same form as the note and mortgage of chattels filed in this proceeding as Exhibit "A", for the purpose of paying the outstanding indebtedness referred to herein.
2. Public Freight System shall file with the Commission a report of the issue of the note and the disposition of the proceeds as required by the Commission's General Order No. 24-A, which order, insofar as applicable, is made a part of this order.
3. The authority herein granted will become effective when Public Freight System has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Forty (\$40.00) Dollars.

Dated at San Francisco, California, this 4th day
of February 1947.

Harold P. Kule

Justice F. G. Green

Frank Powell

R. T. Johnson

Commissioners

