

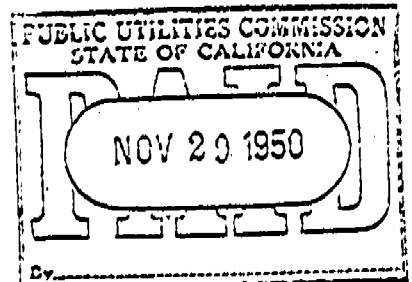
ORIGINAL

Decision No. 45052

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
ASSOCIATED FREIGHT LINES, a corporation,)
for an order authorizing execution of)
evidence of indebtedness.)
-----)

Application
No. 31909



O P I N I O N

This is an application for an order authorizing Associated Freight Lines to execute a promissory note and chattel mortgage in the principal amount of \$8,500 for the purpose of financing in part the cost of equipment.

Applicant is a highway common carrier of property operating generally between San Francisco and Oakland, and San Jose, Oxnard and Los Angeles. For the period from January 1, 1950, to September 30, 1950, it reports operating revenues of \$159,552.76, with a net loss of \$3,175.23 after deducting depreciation charges of \$6,540.22. As of September 30, 1950, it reports its current assets at \$24,282.18, with outstanding current liabilities of \$17,411.59 and equipment obligations of \$46,546.57. It reports its investment in operating property at \$74,534.15.

At the beginning of 1950 applicant owned four Peterbilt truck tractors, ten Fruehauf semi-trailers and one converter dolly. In the present application, it reports that it has found it necessary to increase its fleet of motor vehicle equipment and that it proposes to purchase one Peterbilt two-axle tractor at a cost of \$11,469.05.

It proposes to finance a part of the purchase price with moneys to be borrowed from Crocker First National Bank of San Francisco.

The moneys to be thus borrowed will be represented by a note in the principal amount of \$8,500, repayable in 36 equal monthly installments with interest at the rate of 5% per annum on outstanding balances. The payment of the note will be secured by a chattel mortgage covering the tractor.

A copy of the form of the proposed promissory note and chattel mortgage has been filed in this proceeding as Exhibit B.

ORDER

The Commission having considered the above entitled matter, and being of the opinion that a public hearing thereon is not necessary; that the application should be granted, as herein provided; that the money, property or labor to be procured or paid for through the execution of the promissory note and chattel mortgage herein authorized is reasonably required by applicant for the purpose specified herein; and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Associated Freight Lines, after the effective date hereof and on or before February 28, 1951, may execute a promissory note and chattel mortgage in the principal amount of not exceeding \$8,500 for the purpose of financing in part the cost of new equipment, which promissory note and chattel mortgage shall be in, or

substantially in, the same form as that filed in this proceeding as Exhibit B.

2. Within thirty (30) days after the execution of said promissory note and chattel mortgage, applicant shall file a copy of the same with the Commission.

3. The authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is twenty-five (\$25.00) dollars.

Dated at San Francisco, California, this 22nd day of November, 1950.

R. Z. [Signature]
Justin F. [Signature]
[Signature]
Harold P. [Signature]
[Signature]
Commissioners

