

ORIGINAL

Decision No. 48650

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
THE GRAY LINE, INC.	:	
asking for the approval of the Com-)	Application
mission to issue a promissory note	:	No. 34378
and to encumber property.)	
-----	:	

OPINION AND ORDER

The Gray Line, Inc., applicant herein, is a corporation engaged in operating sight-seeing tours principally within San Francisco, the east bay cities and adjacent territory. In this application it seeks authority to execute a chattel mortgage and to issue a note in the principal amount of \$27,518.40.

Applicant reports that in order to improve its service it purchased from The Flexible Company two new 1953 Flexible 33-passenger Sightseer coaches with roof glass at a total cost of \$34,390.91. It further reports that it used working cash to pay for the equipment and that in order to replace its cash, in part, it desires to borrow \$27,518.40 from Bank of America National Trust and Savings Association, said sum to be represented by a note repayable in 72 equal, consecutive monthly installments, plus interest at the rate of 4 $\frac{1}{2}$ % per annum. The payment of the note will be secured by a chattel mortgage covering the two coaches.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the request of applicant should be granted, as herein provided, that the money, property or labor to be procured or paid for by the issue of said note is reasonably required 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. The Gray Line, Inc., on or before December 31, 1953, may issue its promissory note in the principal amount of not exceeding \$27,518.40 and may execute a chattel mortgage to secure the payment of said note, for the purpose of reimbursing its treasury and improving and maintaining its service, such note and chattel mortgage to be in, or substantially in, the same form as the note and the chattel mortgage filed in this proceeding as Exhibit A and Exhibit B, respectively.

2. The Gray Line, Inc. shall file with the Commission monthly reports as required by 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 applicant has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$28.00.

Dated at San Francisco, California, this 1st day of June, 1953.

R. T. [Signature]
President

Justina F. Coe
Harold H. [Signature]

[Signature]

Commissioners

