

ORIGINAL

Decision No. 49135

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of)
KINGS COUNTY TRUCK LINES, a corpor- :
ation, for authority to execute)
deed of trust and promissory note. :
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Application
No. 34725

OPINION AND ORDER

This is an application for an order authorizing Kings County Truck Lines to issue a promissory note in the principal amount of \$38,000 for the purpose of paying outstanding indebtedness.

Applicant is a California corporation engaged as a highway common carrier of property generally between Los Angeles and Tulare and Fresno. It reports that in the conduct of its business it issued a long-term promissory note on September 10, 1952, in the principal amount of \$22,500, since reduced to \$19,105.90, which note was secured by a deed of trust, and that during 1953 it issued two unsecured promissory notes in the total amount of \$18,000, each payable on demand, with interest at the rate of 6% per annum. It appears that the note for \$22,500 and the deed of trust were not authorized by the Commission, although applicant reports that its failure to obtain such authorization was through inadvertence.

Applicant now desires to issue a new note in order to consolidate and liquidate the three outstanding items of indebtedness. It therefore has made arrangements to borrow \$38,000 from Bank of America National Trust and Savings Association, said sum to

be represented by a promissory note secured by a deed of trust, together with a revision agreement extending for one month the time for payment of the initial installment, said note to be payable in monthly installments of \$750 beginning October 10, 1953, and continuing until June 10, 1958, at which time the entire unpaid balance will become due and payable, interest being at the rate of 6% per annum. The proposed refinancing thus will relieve applicant of the immediate burden of satisfying its outstanding obligations and will spread the time for payment over a period of years.

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, that the money, property or labor to be procured or paid for by the issue of the note 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. Kings County Truck Lines may issue a promissory note in the principal amount of not exceeding \$38,000 and may execute a deed of trust and a revision agreement; all in substantially the same form as those filed in this proceeding; for the purpose of refinancing outstanding indebtedness.
2. Kings County Truck Lines 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 Kings County Truck Lines has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$38.00.

Dated at San Francisco, California, this 29th day of September, 1953.

R. Z. [Signature]
President

Justin J. [Signature]

Francis [Signature]

[Signature]

Commissioners

