

**ORIGINAL**

Decision No. 49876

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- )  
mission to issue a promissory note )  
and to encumber property. )  
----- )

Application  
No. 35278

OPINION AND ORDER

The Gray Line, Inc., applicant herein, is a corporation engaged in operating common carrier sight-seeing tours principally within San Francisco, the east bay cities and adjacent territory. In this application it seeks authority to execute a mortgage of chattels and to issue a note in the principal amount of \$90,648.

Applicant reports that in order to improve its service and to meet increased requirements it has purchased from C. D. Beck & Company, Inc. five new 1954 41-passenger Skyliner coaches with Solex roof glass at a total cost of \$113,262.50. It further reports that it used working cash to pay for the equipment and that in order to replenish its treasury, in part, it desires to borrow \$90,648 from Bank of America National Trust and Savings Association, said sum to be represented by a note repayable in 72 equal, successive, monthly installments, plus interest at the rate of 5% per annum on deferred balances. The payment of the note will be secured by a mortgage of chattels covering the five 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 June 30, 1954, may issue its promissory note in the principal amount of not exceeding \$90,648 for the purpose of reimbursing its treasury and may execute a mortgage of chattels to secure its payment, such note and mortgage of chattels to be in, or substantially in, the same form as the note and the mortgage of chattels filed in this proceeding as Exhibit A and Exhibit B, respectively.

2. The Gray Line, Inc. shall file with the Commission a report, or 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 The Gray Line, Inc. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$91.00.

Dated at San Francisco, California, this 1<sup>st</sup> day of April, 1954.

A. E. [Signature]  
President

Justina J. [Signature]  
[Signature]

[Signature]

Commissioners

