

ORIGINAL

Decision No. 51118

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application )  
of Gilroy Telephone Company, a )  
California Corporation, for an )  
Order authorizing it to borrow )  
\$275,000.00 from the Pacific Mutual )  
Life Insurance Company and to exe- )  
cute a Mortgage upon all of its )  
properties to secure said indebted- )  
ness. )  
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Application  
No. 35373  
(First Supplemental)

FIRST SUPPLEMENTAL ORDER

By Decision No. 50072, dated May 25, 1954, the Commission authorized Gilroy Telephone Company to issue a note in the principal amount of not exceeding \$275,000. The order of the Commission provided, however, that the authorization thus granted would become effective when the Commission authorized applicant to execute a deed of trust and mortgage of chattels and when applicant paid the fee prescribed by Section 1904(b) of the Public Utilities Code.

Applicant has paid the required fee. On February 9, 1955, it filed its first supplemental application, together with a copy of a loan agreement with Pacific Mutual Life Insurance Company and a form of trust indenture, which is also a mortgage of chattels. It has requested the Commission to authorize it to execute these documents.

The proposed trust indenture will secure the payment of the \$275,000 note heretofore authorized and additional sums not to exceed \$1,000,000 at any one time outstanding, the additional borrowings to be represented by notes to mature at any specified time, or times, not earlier than October 1, 1973, and to bear interest at such rate, or rates, as may be agreed upon. No authorization is here asked to issue notes in addition to the original \$275,000 amount.

The Commission has considered this first supplemental application and is of the opinion that it should be granted; therefore,

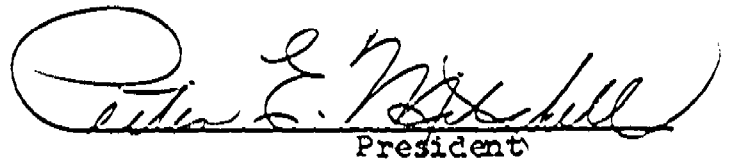
IT IS HEREBY ORDERED as follows:

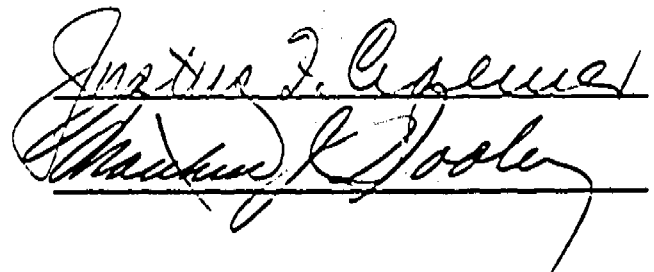
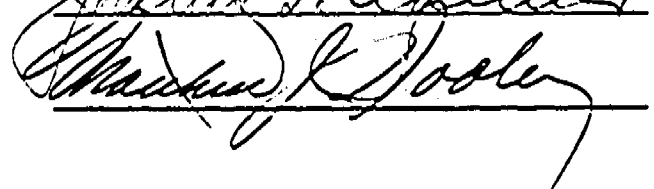
1. Gilroy Telephone Company may execute and deliver a loan agreement with Pacific Mutual Life Insurance Company in, or substantially in, the same form as that filed with the first supplemental application in this proceeding and may issue its said note in the principal amount of \$275,000 in accordance with the terms thereof.

2. Gilroy Telephone Company may execute and deliver a trust indenture dated as of February 1, 1955, in, or substantially in, the same form as that filed with said first supplemental application.

3. The authority herein granted will become effective on the date hereof.

Dated at San Francisco, California, this 23rd day of February, 1955.

  
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President

  
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Commissioners