

ORIGINAL

Decision No. 58147

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of SIGNAL TRUCKING SERVICE, LTD.,
a corporation, for authority to
execute evidence of indebtedness.

Application No. 40890

OPINION AND ORDER

Signal Trucking Service, Ltd., applicant herein, is engaged in business as a highway common carrier of property. In this proceeding it reports that it has executed twenty-four separate contracts with Bank of America National Trust and Savings Association for the purchase of equipment and that it now desires, and herein seeks authorization, to refinance such obligations, now in the amount of \$372,909.50, by the issue of a new note in that amount.

The new note will be payable in thirty monthly installments, the first of which shall be \$12,439.50 on April 15, 1959, and successive monthly installments shall be \$12,430 each, plus interest at the rate of six per cent per annum on decreasing balances, payment to be secured by a mortgage of chattels on motor vehicle equipment. Applicant reports that by thus refinancing it will reduce its monthly payments by approximately \$5,000.

In financial statements filed in this proceeding, applicant has reported operating revenues during 1958 of \$5,249,766 and net profit of \$70,612, after deducting \$251,013 for depreciation. It has reported its long-term obligations at \$604,185, as of December 31,

1958, and its common stock and surplus at \$1,006,093. Its current assets are set forth at \$567,522 and its current liabilities at \$452,646. The proposed refinancing will improve its working capital position.

The Commission has considered this matter and is of the opinion a public hearing is not necessary, that the money, property or labor to be procured or paid for by the issue of the note herein authorized 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. Signal Trucking Service, Ltd., on and after the effective date hereof and on or before August 31, 1959, may execute a mortgage of chattels and may issue a note in the principal amount of not to exceed \$372,909.50 for the purpose of refinancing outstanding indebtedness, such mortgage of chattels and note to be in, or substantially in, the same form as those filed in this proceeding.

2. Signal Trucking Service, Ltd., shall file with the Commission a monthly 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 Signal Trucking Service, Ltd., has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$373.

Dated at San Francisco, California, this 24th day of March, 1959.

[Signature]
President
[Signature]
[Signature]
[Signature]
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Commissioners

