

ORIGINAL

Decision No. 63134

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of ARTHUR R. ALTNOW,
an individual, doing business as
LODI TRUCK SERVICE, for authority
to assume liability as a guarantor
of an indebtedness of L T S RENTALS,
a corporation.

Application No. 44061
Filed December 28, 1961

OPINION AND ORDER

This is an application for an order of the Commission authorizing Arthur R. Altnow, applicant herein, to assume the obligation and liability as a guarantor for payment of \$300,000 indebtedness of L T S Rentals, a corporation.

Applicant, doing business as Lodi Truck Service, operates as a state-wide petroleum irregular route carrier, and as a highway common carrier of general commodities in an area bounded by San Francisco, Sacramento and Los Angeles, under certificates of public convenience and necessity granted by this Commission. He is the owner of all the outstanding shares of stock of L T S Rentals, a corporation to which he sold and transferred equipment, and from which he leases equipment, pursuant to authority granted by Decision No. 62172, dated June 27, 1961, in Application No. 43393.

L T S Rentals, a corporation, proposes to borrow up to \$300,000 from Bank of America National Trust and Savings Association to enable it to pay existing obligations arising

out of the purchase of equipment, and to purchase additional equipment from time to time for its leasing operations. The borrowings will be evidenced by notes in favor of the bank, payment of which will be secured by mortgages of chattels. In addition, the bank requires applicant to guarantee payment of such borrowings.

From a review of the verified application, it appears that the execution of the proposed Continuing Guaranty will assure applicant of the long-term use, and continuity of availability, of equipment. The financial statements of the borrower and applicant attached to the application indicate that the operations of the borrower should be sufficient to enable it to service the proposed notes and that the execution of the Continuing Guaranty by applicant should not interfere with his ability to meet his public service obligations.

The Commission has considered this matter and finds and concludes that a public hearing is not necessary; that the execution of the proposed Continuing Guaranty will not impair the ability of the applicant to meet his public service obligations; and that the application should be granted; therefore,

IT IS ORDERED that -

1. Arthur R. Altnow, doing business as Lodi Truck Service, may execute a Continuing Guaranty in the same form, or substantially in the same form, as the copy filed in this

proceeding as Exhibit A, guaranteeing payment of an indebtedness of L T S Rentals, a corporation, in the principal amount of not to exceed \$300,000.

2. This order shall become effective on the date hereof.

Dated at San Francisco, California, this 23rd day of JANUARY, 1962.

Charles W. Page
 President

D. E. McNeill

E. J. Fox

George J. Hoover

Commissioners

Frederick B. Holoboff
 Commissioner....., being necessarily absent, did not participate in the disposition of this proceeding.