

ORIGINAL

Decision No. 64262

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
ALVIN CHANLEY and GLENN CHANLEY,
copartners doing business as
CHANLEY BROS. TRUCKING CO. to issue
evidence of indebtedness and a
chattel mortgage to secure the same

Application No. 44760
Filed September 5, 1962

O P I N I O N

This is an application for an order of the Commission authorizing Alvin Chanley and Glenn Chanley to execute a mortgage of chattels and to issue a \$150,000 note.

Applicants are engaged in the transportation of livestock under the name of Chanley Bros. Trucking Co. They report equipment obligations, aggregating approximately \$47,000 at the filing date of the application, on which they presently are making payments aggregating \$5,018.74 per month and for which they have prepaid interest at the rate of 4% per annum on original balances, and also outstanding unsecured short-term borrowings of \$40,000 from Bank of America National Trust and Savings Association represented by a note bearing interest at the rate of 6-1/2% per annum.

For the purpose of obtaining funds for working capital, to pay the equipment obligations and the short-term bank borrowings, and to finance the estimated purchase

price of two new trailers, applicants propose to issue to the bank a \$150,000 note with principal payable in one monthly installment of \$4,155 and 35 monthly installments of \$4,167, together with interest at the rate of 7-1/2% per annum on the decreasing balances. Payment of the note will be secured by a mortgage of chattels.

Upon reviewing the application we find that the company has an adverse current position, and has need for funds to increase its working cash and to liquidate outstanding indebtedness, and that the proposed financing will not impair the ability of the company to continue its common carrier operations. We will enter an order granting the company's requests.

O R D E R

The Commission has considered the above-entitled application, has determined that a public hearing is not necessary, and is of the opinion 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 purposes specified herein and that such purposes, except as otherwise authorized, are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS ORDERED that -

1. Alvin Chanley and Glenn Chanley, on or after the effective date hereof and on or before December 31, 1962, may execute a mortgage of chattels and may issue a note in the face amount of not to exceed \$150,000 in the form, under the terms, and for the purposes set forth in this application.

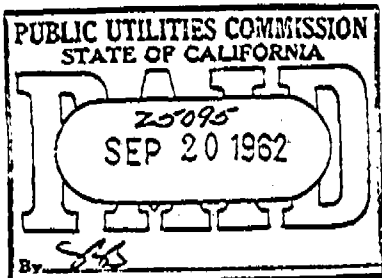
2. Alvin Chanley and Glenn Chanley shall file with the Commission a report, or reports, of the issue of said note, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

3. This order shall become effective when Alvin Chanley and Glenn Chanley have paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$150.

Dated at Los Angeles, California,
this 19th day of SEPTEMBER, 1962.

George G. Fowler
President
[Signature]
Fredrick B. Hallock

Commissioners



Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

- 3 - Commissioner Everett C. McKeage, being necessarily absent, did not participate in the disposition of this proceeding.