

**ORIGINAL**

Decision No. 73105

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC COMPRESS )  
AND WAREHOUSE COMPANY, a )  
California corporation, for )  
Order Approving and Authorizing )  
the Issuance of Shares, Order )  
Authorizing the Assumption of )  
Secured Promissory Note Secured )  
by Deed of Trust, Order )  
Authorizing the Execution of )  
Unsecured Promissory Note, and )  
Order Authorizing the Borrowing )  
of Money and Execution of )  
Secured Promissory Notes and )  
Deed of Trust. )

Application No. 49593

FIRST SUPPLEMENTAL OPINION

By Decision No. 72924, dated August 15, 1967, in the above-entitled matter, the Commission authorized Pacific Compress & Warehouse Company, among other things, to execute and deliver a Deed of Trust and a Security Agreement, and to issue a \$110,000 note in favor of Security First National Bank and a \$200,000 note in favor of Pierce National Life Insurance Company. Instead of issuing said two notes, the public utility now proposes to issue one note in the principal amount of \$310,000, the terms of which will differ substantially from those contemplated by the previous authorization.

As previously authorized the two notes aggregating \$310,000 were to bear interest at the rate of 7-1/4% per annum, payable quarterly. Principal on the \$110,000 note was to be

repaid in two annual installments of \$40,000 each and one annual installment of \$30,000. Principal on the \$200,000 note was to be repaid in 27 quarterly installments of \$7,143 each and a 28th installment of \$7,139. No prepayment penalty, fee or bonus would apply to either note.

The proposed \$310,000 note will provide for interest at the rate of 7-1/4% per annum payable semi-annually, and for the repayment of principal in semi-annual installments amounting to \$10,000, \$25,000 and \$25,000 for the first three and \$12,500 thereafter. A 3% of unpaid principal balance bonus will be required for prepayment before June 30, 1972, after which date the bonus rate will be reduced to 1%.

The Commission has considered the proposed Purchase Agreement, dated as of August 31, 1967, between Pierce National Life Insurance Company, Security First National Bank and Pacific Compress & Warehouse Company, and finds that: (1) the parties contemplate substantial differences in repayment provisions from those authorized by Decision No. 72924 with respect to \$310,000 of proposed indebtedness, and (2) such differences are not adverse to the public interest. On the basis of these findings we conclude that Decision No. 72924 should be amended so as to authorize Pacific Compress & Warehouse Company to issue a note in the form contemplated by said proposed Purchase Agreement. A public hearing is not necessary.

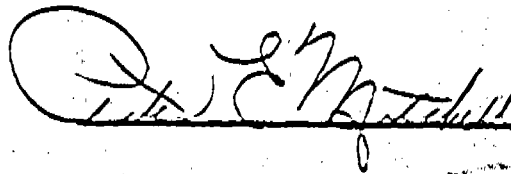
FIRST SUPPLEMENTAL ORDER


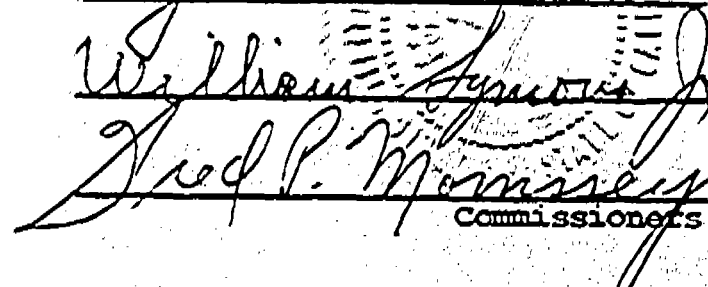
IT IS ORDERED that Decision No. 72924, dated August 15, 1967, in the above-entitled matter, is hereby amended so as to authorize Pacific Compress & Warehouse Company to issue a note in the principal amount of not exceeding \$310,000 in the same form, or in substantially the same form, as that attached to the proposed Purchase Agreement, dated as of August 31, 1967, filed in this proceeding, which note shall be in lieu of the two previously authorized notes aggregating \$310,000.

IT IS FURTHER ORDERED that said Decision No. 72924 shall remain in full force and effect, except as amended by this order.

The effective date of this order is the date hereof.

Dated at San Francisco, California,  
this 19<sup>th</sup> day of SEPTEMBER, 1967.

  
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President

  
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Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.