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Decision No. 82611

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )

O.N.C. FREIGHT SYSTEMS,  
a California corporation, )

Application No. 54689  
(Filed February 26, 1974)

for permission under Section 851  
of the Public Utilities Code to  
encumber utility property and  
equipment. )

O P I N I O N

O.N.C. Freight Systems seeks authority to execute and deliver a deed of trust and security agreements.

Applicant is a California corporation operating as a highway common carrier of general commodities in central and northern California. Operations are also conducted under permits issued by this Commission and under Interstate Commerce Commission authority. For 1973 it reports operating revenues and net income in the respective amounts of \$52,233,493 and \$2,372,192.

The company is a wholly-owned subsidiary of Rocor International, a Nevada corporation and a non-carrier holding company. Rocor International has entered into a Loan Agreement with Bank of America National Trust and Savings Association for the borrowing and reborrowing of not exceeding \$10,000,000 at any one time outstanding. The borrowings would bear interest payable at the rate per annum of 1/2% in excess of the bank's prime rate, and upon request of the bank would be secured by, among other things, a deed of trust on applicant's real property and security agreements on applicant's public utility equipment.

According to the application, the Loan Agreement negotiated by Rocor International will enable it to borrow funds at reduced interest costs to meet the individual needs of its subsidiaries, including applicant, without imposing a heavy debt burden on them.

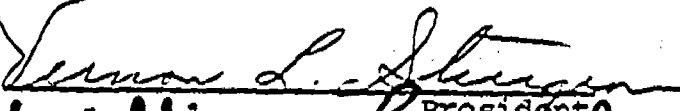
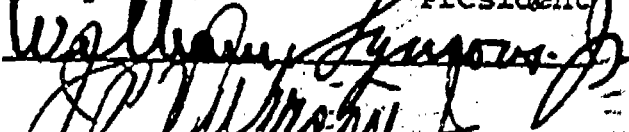
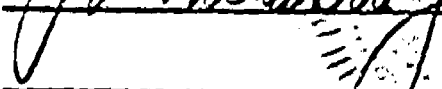
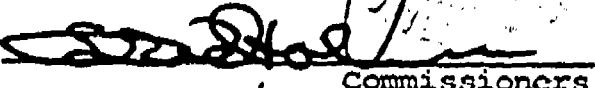
After consideration the Commission finds that the proposed documents would not be adverse to the public interest, and concludes that the application should be granted. A public hearing is not necessary.

O R D E R

IT IS ORDERED that, in accordance with a Loan Agreement in substantially the form of Exhibit A, O.N.C. Freight Systems may encumber its real property located as described in Exhibit D and its public utility equipment by executing and delivering a Deed of Trust and Security Agreements in substantially the forms of Exhibits F and G, all such exhibits being attached to the application.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 19<sup>th</sup> day of March, 1974.

  
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President  
  
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Commissioners

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.