

BEFORE THE
WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION
WASHINGTON, D.C.
ORDER NO. 402

IN THE MATTER OF:

Served October 27, 1964

Application of The Gray Line, Inc.,)
for Permission to Issue a Promissory)
Note and a Chattel Deed of Trust to)
Secure Same.)

Application No. 288

The Gray Line, Inc., has filed an application for permission to issue a promissory note to Home Life Insurance Company of New York in the principal sum of Four Hundred Thousand Dollars (\$400,000), with interest at the rate of six and one-half percent (6½%) per annum, payable quarterly, over an eight-year period on the unpaid principal balance. ~~The note will be secured by a chattel deed of trust against seventeen (17) buses owned by applicant.~~

The applicant will use the entire proceeds from the securities proposed to be issued for the sole purpose of paying off, in full, certain of its presently existing obligations now secured against operating equipment. The proposed refinancing and consequent discharge and retirement of certain equipment notes, scheduled for maturity within the next five years, will enable applicant to refinance its equipment over a longer period, while at the same time effecting a substantial lessening of its annual requirements for debt service. A saving in interest will also result.

Notice of the application has been published in a newspaper of general circulation and no one has sought an opportunity for hearing.

The Commission is of the opinion and finds that the issuance of said note and the execution of said chattel deed of trust as security therefor is not contrary to the public interest and that permission should be granted authorizing the execution of said note and deed of trust.

THEREFORE, IT IS ORDERED:

1. That The Gray Line, Inc., be, and it is hereby, authorized to issue its promissory note to the Home Life Insurance Company of New York in the amount of Four Hundred Thousand Dollars (\$400,000), at a rate of

interest not to exceed six and one-half percent (6½%) per annum, payable quarterly, on the unpaid principal balance, and to execute a chattel deed of trust on seventeen (17) buses as security for said note.

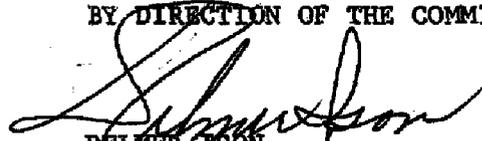
2. That any costs incurred in connection with subject financing be charged below-the-line as non-operating costs.

3. That upon execution of the promissory note and the chattel deed of trust herein authorized, copies thereof shall be filed with the Commission.

4. That within thirty (30) days after the payment and cancellation of the note and satisfaction of the chattel deed of trust herein authorized, The Gray Line, Inc., shall advise the Commission of said payment and cancellation of the chattel deed of trust.

5. That this Order become effective upon date of issuance.

BY DIRECTION OF THE COMMISSION:



DELMER ESON

Executive Director