

BEFORE THE
WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 335

IN THE MATTER OF:

Served December 16, 1963

Application of D. C. Transit)
System Inc., for Permission to)
Issue a Promissory Note for)
\$186,000.00)

Application No. 261

D. C. Transit System, Inc., has filed an application for permission to issue a promissory note, payable to the order of Suburban Trust Company in the amount of \$186,000.00, with interest on the unpaid balance at the rate of five and one-half (5-1/2) percent per annum. Payments would be due monthly, over a period of sixty (60) months.

The purpose of the promissory note is to purchase fourteen (14) "Minibuses" for use in the transportation demonstration project now under way in downtown Washington.

Transit seeks approval of a transaction involving 100 percent financing of the buses with no down payment and, concomitantly, no initial equity results.

In its most recent expression, Order No. 245, served April 12, 1963, the Commission noted its concern about the low equity-debt ratio of applicant, and the resultant need for the applicant to increase its equity in order to insure its financial stability.

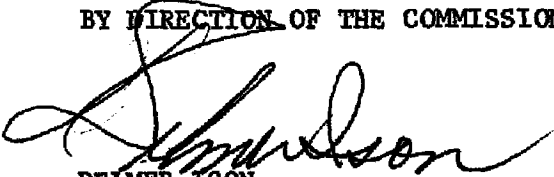
Transit's application, if granted, would merely aggravate an existing adverse condition. We see no need to further process an application which on its face is contrary to a position we have previously and thoroughly considered. The application reveals no extraordinary condition to warrant reconsideration of our previous expression.

It is our unanimous opinion, and we so find and conclude,

that the application is contrary to the public interest and should be denied, without prejudice to further action by Transit in conformity with our above expression.

THEREFORE, IT IS ORDERED that the application of D. C. Transit System, Inc., be, and it is hereby, denied.

BY DIRECTION OF THE COMMISSION:



DELMER ISON
Executive Director