

MORTGAGE RECORD T  
SKAMANIA COUNTY, WASHINGTON

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JOHNSON-COX COMPANY, PRINTERS, TACOMA—42988

tered herein on June 17, 1935, and to notice of hearing given as provided in said order, there being present the following:

Honorable John H. McNary, United States District Judge;  
Frank C. McColloch, Public Utilities Commissioner of Oregon;  
Ferd J. Schaaf, Director of the Department of Public Service of Washington;  
John A. Laing and Henry S. Gray, Attorneys for Debtor;  
Charles A. Hart, attorney for C. T. Bundy of Eau Claire, Wisconsin;

and debtor having proposed at said hearing a plan of reorganization in accordance with the provisions of section 77B of the Bankruptcy Act, as amended, being the Plan referred to in the notice of said hearing, and a copy of which is attached as Exhibit C to Debtor's Petition herein, and having submitted evidence relevant to its application for confirmation of said plan and to the other matters specified in the notice of hearing, and no other plan of reorganization having been submitted prior to or at said hearing;

And certain objections to and proposed modifications of said Plan having been offered at said hearing by said C. T. Bundy, the holder of \$14,000 in principal amount of said bonds, as set forth in the unverified written statement of said C. T. Bundy on file herein, and no other objections to or proposed modifications of said Plan having been filed prior to or presented at said hearing, and the Court having set said objections and proposed modifications down for hearing at 10:00 o'clock a.m. on July 17, 1935;

And further hearing having been held on said July 17, 1935, there being present the Honorable Judge of this Court, said John A. Laing and Henry S. Gray as attorneys for Debtor, and attorneys for objecting bondholders as follows:

Charles A. Hart, as attorney for said C. T. Bundy; and said Charles A. Hart also as attorney for Natalie C. Greene of San Francisco and Sarah D. Coffin of Montecito, California, each the holder of \$6000.00 of said bonds, and each having filed on said July 17th her proof of claim accompanied by an objection to Debtor's being permitted to pay any dividends on Debtor's common stock prior to the payment in full of said bonds;

Erskine Wood, of Portland, Oregon, appearing for himself as the holder of \$5000 of said bonds, who concurred with said Charles A. Hart in urging that Debtor should not be permitted to apply any of its net income after the payment of bond interest, prior to payment in full of said bonds, to any purpose except payments into the sinking fund for the retirement of said bonds;

and the court at the close of said hearing on July 17, 1935, after considering all objections to and proposed modifications of said Plan, and after hearing and considering the arguments of attorneys with respect thereto, having announced its opinion that all such objections to and proposed modifications of said Plan should be denied and rejected, except the objection to Debtor's being permitted to pay any dividends on its common stock prior to payment in full of said bonds, which objection the court reserved for further consideration and opportunity for Debtor to be heard further thereon;

And Debtor having thereafter filed its consent, and consent in behalf of the owners and holders of Debtor's common stock, to the allowance of said objection relating to common stock dividends, and having proposed that said Plan be modified by providing that no dividends shall be paid upon said common stock until all of Debtor's said bonds shall have been paid or redeemed, or the Debtor shall have fully provided for such payment or redemption and shall have deposited funds with the Trustee under the Trust Indenture or mortgage in the entire amount necessary therefor, and the court, having now fully considered said plan, and being fully advised as to all matters herein involved, hereby finds as follows:

1. That Debtor is a corporation organized under the laws of the State of Washington, and is not a municipal corporation, railroad, insurance or banking corporation, or a build-

Satisfied  
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