

MORTGAGE RECORD T  
SKAMANIA COUNTY, WASHINGTON

ing and loan association, but is a public utility corporation and is duly qualified to file a petition in this court under said Section 77B.

2. That during the period of six months next preceding the filing of this petition, Debtor has had its principal place of business, its main executive and operating offices, and the major portion of its assets in the State of Oregon, within the territorial jurisdiction of this court.

3. That Debtor is engaged in the business of generating, transmitting and distributing electric energy and power to the public for lighting, power, heating and other purposes in the states of Oregon and Washington, and in the business of furnishing steam heating service to the public in the City of Portland, Oregon, and in respect of such operations is subject to supervision and regulation by the Public Utilities Commissioner of Oregon, under and pursuant to the laws of the State of Oregon, and by the Department of Public Service of the State of Washington, under and pursuant to the laws of the State of Washington.

4. That the petition of Debtor herein was, on June 17, 1935, properly filed and in good faith and that this court has jurisdiction over the subject matter of and the parties to this proceeding.

5. That Debtor has fully complied with the terms of the order of this Court entered on June 17, 1935, and with the relevant provisions of said Section 77B, and has filed or caused to be filed in evidence, among other documents, the schedule of its assets, liabilities and capital stock (as of the 31st day of May, 1935, Exhibit A of said Petition); a statement of the amount of its bonded indebtedness; a copy of the Trust Indenture or Mortgage under which Debtor's First Mortgage Twenty Year Sinking Fund Gold Bonds were issued (Exhibit B. of said Petition); a proposed plan of reorganization entitled "Extension Proposal and Agreement for the First Mortgage Twenty Year Sinking Fund Gold Bonds of Northwestern Electric Company" (Exhibit C of said Petition); Letters of Transmittal of accepting bondholders evidencing the acceptance of said plan by the holders of \$5,675,000 in principal amount of said bonds; a certified copy of a resolution of the Board of Directors of Debtor authorizing the filing of said petition and other acts in furtherance thereof (Exhibit H of said Petition); and proofs of Publication of the notice of this hearing as required by the order of this court entered herein on June 17, 1935, together with other proof of notice of hearing and other evidence herein, including evidence that Debtor and the owners and holders of all of Debtor's common stock have consented to the modification of said Plan to the extent of providing that no dividends shall be paid by Debtor upon its common stock until all of its said bonds shall have been paid in full; and the Court is of the opinion that all of the foregoing are in form and substance in all respects correct and as required by law, and are in all respects received as evidence and approved.

6. That Debtor has paid and is paying all obligations to creditors, other than bondholders, in due course, and that Debtor's Petition was filed herein only because of Debtor's inability to pay at maturity on May 1, 1935, the full principal amount of its First Mortgage Twenty year sinking fund gold bonds.

7. That the consummation of said plan with the aforesaid modification will modify or alter the rights of only the holders of Debtor's First Mortgage Twenty Year Sinking Fund Gold Bonds and the rights of American Power & Light Company, unsecured creditor, and the rights of the owners and holders of Debtor's common capital stock, and that approval has been duly given by American Power & Light Company and by the owners and holders of all