

MORTGAGE RECORD T  
SKAMANIA COUNTY, WASHINGTON

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JOHNSON-COX COMPANY, PRINTERS, TACOMA—42354

Debtor's said common stock to said Plan with said modification, and that in other respects the consummation of the Plan with said modification will not affect or disturb the rank, privilege or lien of any indebtedness of Debtor, or the rank, privilege or status of any of the capital stock of Debtor other than said common stock, or any claim, rank or privilege of the United States of America; and that as a consequence no persons, other than the said bondholders and said American Power & Light Company and their owners and holders of Debtor's said common stock, will be materially and adversely affected by the confirmation of said Plan with said modification, and that said modification will be advantageous to said bondholders and will materially and adversely affect only the owners and holders of said common stock.

8. That more than two-thirds in amount of the holders of said bonds, namely, the holders of \$5,675,000 of the total of \$6,656,600 of said bonds outstanding, exclusive of the bonds in the sinking fund, have in writing accepted and consented to said Plan, and have consented to these proceedings for the consummation of said plan, and such acceptances and consents have been filed in these proceedings; and that said acceptances and consents of said holders have been filed in proper form and are sufficient to evidence said holders' acceptance of and consent to said Plan and said modification thereof.

9. That prior to the submission to Debtor's bondholders<sup>of said</sup> Extension Agreement, herein proposed as a plan of reorganization, Debtor submitted said extension agreement to the Public Utilities Commissioner of Oregon with application for the approval thereof, and said Public Utilities Commissioner of Oregon by order dated January 14, 1935, a copy of which is attached to the Petition of Debtor herein as Exhibit E thereof, expressly found that said Extension Agreement and the Plan provided therein are in all respects fair and reasonable, and that said Plan, if and when it should be submitted as a plan of reorganization under proceedings pursuant to Section 77B of the Bankruptcy Act, was and would be in all respects a fair and proper plan and consistent with the public interest, and by said order expressly authorized and approved said Extension Agreement and the Plan embodied therein as such plan of reorganization; that prior to the submission to Debtor's bondholders of said Extension Agreement, Debtor also submitted said Extension Agreement to the Department of Public Works of Washington (now styled Department of Public Service of Washington) with Debtor's application for the approval thereof, and said Department of Public Works of Washington, by order dated January 24, 1935, a copy of which is attached to Debtor's Petition herein as Exhibit D thereof, expressly found that said Extension Agreement and the Plan provided for therein, is fair and reasonable, and by said order authorized the execution of said proposed Extension Agreement in the form now submitted to the Court

herein as a plan of reorganization; that said Public Utilities Commissioner of Oregon and said Department of Public Service of Washington, at the hearing held herein on July 15, 1935, severally again approved the extension of the maturity of said bonds upon the terms and conditions set forth in said Extension Agreement and plan, and joined in recommending the prompt confirmation and consummation of said plan as in the public interest, and at the same time requested that any order or decree herein should contain a provision recognizing that the making of changes in other elements of the capital structure of Debtor will not be precluded, barred or hindered by any such order or decree; and the Court finds that the aforesaid modification of said Plan with respect to the payment of common stock dividends is of such nature as not to require the reference of said modification to said regulatory authorities or their further approvals of said Plan as so modified, as said modification is consistent with the position taken by said regulatory