Reorganization

OF

ATLANTIC PUBLIC UTILITIES, INC.

AND SUBSIDIARY COMPANIES

PLAN AND AGREEMENT

DATED MARCH 20, 1931

REORGANIZATION COMMITTEE

GERALD W. PECK, Chairman,
Emery, Peck & Rockwood Co.,
Chicago, Illinois.

JAMES T. WOODWARD,
Spencer Trask & Co.,
New York, New York.

A. S. CUMMINS,
H. M. Byllesby & Co.,
Chicago, Illinois.

A. E. FITKIN,
New York, New York.

E. L. McBRIDE,
A. B. Leach & Co., Inc.,
New York, New York.

CHAPMAN AND CUTLER, Counsel,
111 West Monroe Street,
Chicago, Illinois.

C. F. BOAKE, Secretary,
208 South La Salle Street,
Chicago, Illinois.

DEPOSITARIES

THE CHASE NATIONAL BANK OF THE CITY OF NEW YORK
New York, New York

CONTINENTAL ILLINOIS BANK AND TRUST COMPANY
Chicago, Illinois

GUNTHORP-WARREN PRINTING COMPANY, CHICAGO.

PLAN AND AGREEMENT

FOR

REORGANIZATION

OF

ATLANTIC PUBLIC UTILITIES, INC.

AND

SUBSIDIARY AND AFFILIATED COMPANIES

ADOPTION AND APPROVAL OF PLAN AND AGREEMENT

The accompanying Plan and Agreement of Reorganization has been adopted and is being promulgated by the

REORGANIZATION COMMITTEE

constituted under Reorganization Agreement dated March 20, 1931.

Gerald W. Peck, Chairman,
Emery, Peck & Rockwood Co.,
Chicago, Illinois.

James T. Woodward,
Spencer Trask & Co.,
New York, New York.

A. S. Cummins,
H. M. Byllesby & Co.,
Chicago, Illinois.

A. E. Fitkin,
New York, New York.

E. L. McBride,
A. B. Leach & Co., Inc.,
New York, New York.

Chapman and Cutler, *Counsel,*
111 West Monroe Street,
Chicago, Illinois.

C. F. Boake, *Secretary,*
208 South La Salle Street,
Chicago, Illinois.

DEPOSITARIES

The Chase National Bank of the City of New York,
New York, New York.

Continental Illinois Bank and Trust Company,
Chicago, Illinois.

The foregoing Reorganization Committee will endeavor to consummate the Plan.

APPROVAL OF PLAN AND AGREEMENT BY VARIOUS COMMITTEES

The following Committees have also approved and adopted said Plan and Agreement and recommended its adoption by the respective classes of securities, obligations, claims and stock which they represent.

COMMITTEE REPRESENTING HOLDERS OF FIRST LIEN 5½% GOLD BONDS, SERIES A AND SERIES B OF KEYSTONE WATER WORKS AND ELECTRIC CORPORATION

(Formerly named KEYSTONE WATER WORKS CORPORATION)

A. S. Cummins, Chairman,
H. M. Byllesby & Co.,
Chicago, Illinois.

W. B. Prickitt,
A. B. Leach & Co., Inc.,
Chicago, Illinois.

Ray L. Junod,
Continental Illinois Company,
Chicago, Illinois.

Franklin J. Stransky,
Sims, Godman, Stransky & Brewer,
Chicago, Illinois.

Charles H. Adams,
Union Guardian Trust Company,
Detroit, Michigan.

Freeman Day,
Mayer, Meyer, Austrian & Platt,
Chicago, Illinois.

Waldemar de Bille,
Utility Bond & Share Company,
Chicago, Illinois.

Mayer, Meyer, Austrian & Platt, *Counsel,*
231 South LaSalle Street,
Chicago, Illinois.

C. H. O'Reilly, *Secretary,*
231 South LaSalle Street,
Chicago, Illinois.

DEPOSITARY

Continental Illinois Bank and Trust Company,
231 South LaSalle Street,
Chicago, Illinois.

SUB-DEPOSITARY

Guaranty Trust Company of New York,
140 Broadway,
New York, New York.

COMMITTEE REPRESENTING HOLDERS

OF

CONVERTIBLE 6% GOLD DEBENTURES, SERIES A AND SERIES B

OF

KEYSTONE WATER WORKS AND ELECTRIC CORPORATION
(Formerly named KEYSTONE WATER WORKS CORPORATION)

Edward L. McBride, Chairman,
A. B. Leach & Company,
New York, New York.

Harold E. Aul,
C. H. Huston & Co.,
New York, New York.

Chester C. Levis,
H. M. Byllesby & Co.,
New York, New York.

Gerald W. Peck,
Emery, Peck & Rockwood Co.,
Chicago, Illinois.

Frederick Y. Toy,
F. Y. Toy & Co.,
New York, New York.

Chadbourne, Stanchfield & Levy, *Counsel,*
25 Broadway,
New York, New York.

Paul W. Fisher, *Secretary,*
57 William Street,
New York, New York.

DEPOSITARY

American Trust Company,
135 Broadway,
New York, New York.

SUB-DEPOSITARY

Foreman-State Trust and Savings Bank,
33 North LaSalle Street,
Chicago, Illinois.

COMMITTEE REPRESENTING HOLDERS

OF

$6.50 CUMULATIVE PREFERRED STOCK

OF

KEYSTONE WATER WORKS AND ELECTRIC CORPORATION

(Formerly named KEYSTONE WATER WORKS CORPORATION)

Douglas G. Wagner, Chairman,
A. B. Leach & Co., Inc.,
New York, New York.

Gerald W. Peck,
Emery, Peck & Rockwood Co.,
Chicago, Illinois.

Frederick Y. Toy,
F. Y. Toy & Company,
New York, New York.

Arthur L. Chambers,
A. L. Chambers & Company, Inc.,
Buffalo, New York.

Milton S. Trost,
Stein Bros. & Boyce,
Louisville, Kentucky.

Elmer W. Maher, *Counsel,*
46 Cedar Street,
New York, New York.

Paul W. Fisher, *Secretary,*
57 William Street,
New York, New York.

DEPOSITARY

American Trust Company,
135 Broadway,
New York, New York.

COMMITTEE REPRESENTING HOLDERS

OF

CLASS A STOCK WITHOUT PAR VALUE

OF

KEYSTONE WATER WORKS AND ELECTRIC CORPORATION

(Formerly named KEYSTONE WATER WORKS CORPORATION)

C. F. Boake, Chairman,
Emery, Peck & Rockwood Co.,
Chicago, Illinois.

Harold E. Aul,
C. H. Huston & Co.,
New York, New York.

N. P. Zech,
R. E. Wilsey & Co., Inc.,
Chicago, Illinois.

Frederick A. McCord,
Frederick Peirce & Co.,
Philadelphia, Pennsylvania.

Frank S. Townsend,
Townsend & Co.,
San Francisco, California.

Chapman and Cutler, *Counsel,*
111 West Monroe Street,
Chicago, Illinois.

William H. Short, *Secretary,*
111 West Monroe Street,
Chicago, Illinois.

DEPOSITARY

Foreman-State Trust and Savings Bank,
33 North LaSalle Street,
Chicago, Illinois.

COMMITTEE REPRESENTING HOLDERS

OF

TEN YEAR SIX PER CENT CONVERTIBLE SECURED GOLD BONDS
SERIES A

OF

NORTH AMERICAN WATER WORKS AND ELECTRIC CORPORATION

N. P. Zech, Chairman,
R. E. Wilsey & Co., Inc.,
Chicago, Illinois.

Harold E. Aul,
C. H. Huston & Co.,
New York, New York.

Erno B. Pletcher,
Dangler, Lapham & Company,
Chicago, Illinois.

James G. Fisher,
Pearsons-Taft Company,
Chicago, Illinois.

A. V. Howell,
Howell, Anderson & Company,
Chicago, Illinois.

Otto Kaspar,
Kaspar American State Bank,
Chicago, Illinois.

C. F. Boake,
Emery, Peck & Rockwood Co.,
Chicago, Illinois.

Chapman and Cutler, *Counsel,*
111 West Monroe Street,
Chicago, Illinois.

William H. Short, *Secretary,*
111 West Monroe Street,
Chicago, Illinois.

DEPOSITARY

Foreman-State Trust and Savings Bank,
33 North LaSalle Street,
Chicago, Illinois.

SUB-DEPOSITARY

City Bank Farmers Trust Company,
43 Exchange Place,
New York, New York.

COMMITTEE REPRESENTING HOLDERS

OF

CLASS A COMMON STOCK WITHOUT PAR VALUE

OF

NORTH AMERICAN WATER WORKS AND ELECTRIC CORPORATION

C. F. Boake, Chairman,
Emery, Peck & Rockwood Co.,
Chicago, Illinois.

Harold E. Aul,
C. H. Huston & Co.,
New York, New York.

Clyde H. Andrews,
Porter Fox & Co.,
Chicago, Illinois.

J. R. Kimbark,
Dawes & Company, Inc.,
Chicago, Illinois.

W. E. Chambers,
Patterson, Copeland & Kendall, Inc.,
Chicago, Illinois.

Frederick Y. Toy,
F. Y. Toy & Co.,
New York, New York.

Chapman and Cutler, *Counsel,*
111 West Monroe Street,
Chicago, Illinois.

William H. Short, *Secretary,*
111 West Monroe Street,
Chicago, Illinois.

DEPOSITARY

Foreman-State Trust and Savings Bank,
33 North LaSalle Street,
Chicago, Illinois.

COMMITTEE REPRESENTING HOLDERS

OF

FIRST LIEN AND SECURED 5½% GOLD BONDS, SERIES A,

OF

ATLANTIC PUBLIC SERVICE ASSOCIATES, INC.
(Formerly ATLANTIC PUBLIC SERVICE CORPORATION)

James T. Woodward, Chairman,
Spencer Trask & Co.,
New York, New York.

Howard K. Kirk,
H. M. Byllesby & Co.,
New York, New York.

Gerald W. Peck,
Emery, Peck & Rockwood Co.,
Chicago, Illinois.

Charles A. Coolidge, Jr.,
Ropes, Gray, Boyden & Perkins,
Boston, Massachusetts.

A. M. Massie,
New York, New York.

Ropes, Gray, Boyden & Perkins, *Counsel*
50 Federal Street,
Boston, Massachusetts.

Charles W. Devoy, *Secretary,*
44 Wall Street,
New York, New York.

DEPOSITARY

The Bank of America National Association,
44 Wall Street,
New York, New York.

SUB-DEPOSITARY

Chicago Trust Company,
134 South La Salle Street,
Chicago, Illinois.

COMMITTEE REPRESENTING HOLDERS

OF

FIFTEEN-YEAR SIX PER CENTUM GOLD DEBENTURES

OF

ATLANTIC PUBLIC SERVICE ASSOCIATES, INC.

(Formerly named ATLANTIC PUBLIC SERVICE CORPORATION)

Gerald W. Peck, Chairman,
Emery, Peck & Rockwood Co.,
Chicago, Illinois.

Frederick A. McCord,
Frederick Peirce & Co.,
Philadelphia, Pennsylvania.

Harold E. Aul,
C. H. Huston & Co.,
New York, New York.

Erno B. Pletcher,
Dangler, Lapham & Company,
Chicago, Illinois.

Donald E. Nichols,
Gorrell & Company,
Chicago, Illinois.

N. P. Zech,
R. E. Wilsey & Co., Inc.,
Chicago, Illinois.

A. V. Howell,
Howell, Anderson & Company,
Chicago, Illinois.

Chapman and Cutler, *Counsel*,
111 West Monroe Street,
Chicago, Illinois.

William H. Short, *Secretary*,
111 West Monroe Street,
Chicago, Illinois.

DEPOSITARY

Chicago Trust Company,
134 South La Salle Street,
Chicago, Illinois.

SUB-DEPOSITARY

Hibernia Trust Company,
57 William Street,
New York, New York.

COMMITTEE REPRESENTING HOLDERS

OF

SECURED CONVERTIBLE ONE-YEAR GOLD BONDS, SERIES A

OF

ATLANTIC PUBLIC UTILITIES, INC.

Gerald W. Peck, Chairman,
Emery, Peck & Rockwood Co.,
Chicago, Illinois.

Clyde H. Andrews,
Porter Fox & Co.,
Chicago, Illinois.

A. V. Howell,
Howell, Anderson & Company,
Chicago, Illinois.

Harold E. Aul,
C. H. Huston & Co.,
New York, New York.

Chapman and Cutler, *Counsel,*
111 West Monroe Street,
Chicago, Illinois.

William H. Short, *Secretary,*
111 West Monroe Street,
Chicago, Illinois.

DEPOSITARY

Chicago Trust Company,
134 South La Salle Street,
Chicago, Illinois.

Eastern States Public Service Corporation, United American Utilities, Inc. and A. E. Fitkin, individually, as the holders of notes and other obligations of Atlantic Public Utilities, Inc. and its subsidiary companies, have also approved and adopted this Plan and Agreement and agree to be bound thereby.

INTRODUCTORY STATEMENT

General

Atlantic Public Utilities, Inc., a Delaware corporation, is a holding corporation owning and controlling, directly or indirectly through subsidiaries, a considerable number of corporations operating electric light, water and gas utility properties, and also ice properties, and an interurban railway system and bus line. The plants and properties thus controlled are located in Maine, New Hampshire, Massachusetts, Connecticut, Pennsylvania, Virginia, Arkansas, North Carolina, South Carolina, Georgia, West Virginia, Kentucky, Ohio, Indiana, and Illinois. Business has been conducted through approximately ninety (90) subsidiary operating companies. Many of these subsidiary operating companies are in turn controlled by subholding companies, which in turn are subsidiaries of Atlantic Public Utilities, Inc. The principal subholding companies so controlled through stock ownership by Atlantic Public Utilities, Inc. are: Atlantic Public Service Associates, Inc. (formerly named Atlantic Public Service Corporation), Keystone Water Works and Electric Corporation (formerly named Keystone Water Works Corporation), North American Water Works and Electric Corporation, Maine State Water & Electric Companies, The Cleveland Southwestern Company, and Union Water Works Company.

Subsidiary and Affiliated Companies

Atlantic Public Utilities, Inc. directly controls, through stock ownership, Atlantic Public Service Associates, Inc., North American Water Works and Electric Corporation, Union Water Works Company, Kanawha Gas and Utilities Company, and The Cleveland Southwestern Company.

Atlantic Public Service Associates, Inc., in turn controls through stock ownership, the following operating corporations, viz.: Atlantic Flour Mills, Inc.; Caribou Water, Light & Power Company; The City Water Company; Colby Light & Power Company; The Grafton Water Company; Hampton Water Works Company; Millbury Water Company; Mystic Valley Water Company; New Sweden Light & Power Company; Ohio Northern Public Service Company; Oxford Water Company; Potomac Valley Power Corporation; Provincetown Light & Power Company; Salisbury Water Supply Company; Shenandoah River Power Company (which in turn controls Valley Light & Power Company); Southern Public Service Company (which in turn controls Carolina-Georgia Service Company and Roanoke Ice Delivery, Inc.); and Indiana Light and Power Company (which in turn controls Brookville Electric Company, The General Utilities Company, and The Shepfer Electrical Company).

North American Water Works and Electric Corporation is a holding corporation, in turn controlling, through stock ownership, Keystone Water Works and Electric Corporation, Maine State Water & Electric Companies, and Central Atlantic Water Works and Electric Corporation.

Keystone Water Works and Electric Corporation in turn controls, through stock ownership, the following operating corporations, viz.: Biglerville Water Company; Central City Water Service Company; Consumers Water Company of Girardville; Consumers Water Company of Montrose; Corbin Ice & Beverage Company; Dawson Springs Waterworks Company; Dunbar Water Works Company; East Rainelle Light and Power Company; East Rainelle Water & Plumbing Company; Eastern Carolina Service Corporation; Ellwood Consolidated Water Company; Gettysburg Water Company; The Glenville Electric Company; Hanover & McSherrystown Water Company; The Latrobe Water Company; Louisa Water Company; Madison Water Works Company; The Mohnsville Water Company; Oak Hill Water Company; Paducah Water Works Company (the physical property and franchises of which have however been sold since the institution of the receiverships hereinafter mentioned); Paris Water Works Company; The Parkesburg Water Company; The Reserve Power & Light Company; Riverton Consolidated Water Company; West Helena Water Works Company; West Penn Water Company; and Western Reserve Power and Light Company (which in turn controls New London Power Company) and Weston Water Company.

Maine State Water & Electric Companies in turn controls, through stock ownership, the following operating corporations, viz.: Eastport Water Company; Dennistown Power Company; Greenville Water Company; Guilford Water Company; Hartland Water Company; Limestone Water and Sewer Company; Livermore Falls Light & Power Company; Mars Hill & Blaine Water Company; Mechanic Falls Water Company; North Berwick Water Company; Norway Water Company; Presque Isle Water Company; Penobscot County Water Company; The Sanford Water Company (the physical property and franchises of which have, however, been sold since the institution of the receiverships hereinafter mentioned); Sangerville Water Supply Company; Skowhegan Water Company; Southwest Harbor Water Company; Stockton Springs Water Company; Turner Light & Power Company; and Waldoboro Water Company.

Central Atlantic Water Works and Electric Corporation in turn controls, through stock ownership, the following operating corporations, viz.: Bel Air Water & Light Company; Catlettsburg, Kenova & Ceredo Water Company; Edwardsville Water Company; Ellicott City Water Company; and Northampton Consolidated Water Co.

Union Water Works Company in turn controls, through stock ownership, the following operating corporations, viz.: Barbourville Water, Light & Ice Company; Citizens Electric & Service Company; Glasgow Public Service Company; Harlan Public Service Company; Horse Cave Water Works Company; London Utilities Company; Morgantown Public Service Company; Pineville Water Supply Company; Richmond Water & Light Company; and St. Albans Public Service Company.

The Cleveland Southwestern Company in turn controls, through stock ownership, Cleveland Southwestern Railway & Light Company (which in turn controls, through stock ownership, Southwestern Bus Company).

The Atlantic Public Utilities, Inc. and its subholding companies, namely Atlantic Public Service Associates, Inc., North American Water Works and Electric Corporation, Keystone Water Works and Electric Corporation, Maine State Water & Electric Com-

panies, Union Water Works Company, and Cleveland Southwestern Railway and Light Company, had outstanding on July 31, 1930, an aggregate of approximately Thirty-one Million Dollars ($31,000,000) principal amount of bonds, notes, and debentures in the hands of the public, and these companies and various of the subsidiary companies also have outstanding large amounts of demand notes, many of which are collateral security to notes of Atlantic Public Utilities, Inc. and of various of its subholding companies.

Receiverships

In July, 1930, the financial condition of the system controlled by Atlantic Public Utilities, Inc. had become such that the then controlling management deemed it inadvisable to make further payments of interest and principal on maturing obligations of Atlantic Public Utilities, Inc. and its various subsidiaries, and accordingly applied, in the State Courts of Delaware (the State in which the various holding and subholding companies were incorporated) for the appointment of Receivers of Atlantic Public Utilities, Inc., Atlantic Public Service Associates, Inc., and North American Water Works and Electric Corporation, and on July 29, 1930, the Delaware Court of Chancery appointed C. A. Southerland and R. J. Ritchie, Receivers of said corporations. The same persons were on September 10, 1930, appointed by the same Court Receivers of Union Water Works Company. In further proceedings in said Court, C. A. Southerland, R. J. Ritchie and Z. E. Merrill were appointed on August 21, 1930, Receivers of Keystone Water Works and Electric Corporation, and W. H. Sawyer was appointed an additional Co-Receiver by said Court for Atlantic Public Service Associates, Inc. Receivers have also been appointed for Southern Public Service Company, Carolina-Georgia Service Company, and of The Cleveland Southwestern Railway & Light Company. The various Receivers promptly qualified as such Receivers and have since been conducting the business of the Atlantic Public Utilities, Inc. System as such Receivers.

Defaults in payments of interest, principal and dividends

Following the appointments of the Receivers, payments of maturing principal and interest on outstanding bonds, notes and funded obligations of the Atlantic Public Utilities, Inc. and its subsidiary, subholding and operating companies (except in a few cases involving small amounts of locally held obligations) ceased, and no dividends on any outstanding stock have thereafter been paid. In consequence, defaults have occurred in the payment of principal and/or interest on the outstanding funded obligations of Atlantic Public Utilities, Inc. and its subholding and subsidiary corporations. The Committees hereinbefore named and mentioned have been organized respectively to represent holders of bonds, debentures, stocks and securities of Atlantic Public Utilities, Inc. and of various of its subsidiary corporations, as therein listed. During the receiverships, properties of the Paducah Water Works Company have been sold and the proceeds applied for the purpose of payment of outstanding bonds and obligations of that Company and for retirement of preferred stock held by the public, and the properties of The Sanford Water Company have also been sold and the proceeds applied toward payment of obligations, for a contingent tax reserve fund and distribution on stock held by the public.

In addition certain other minor sales of some physical property of some subsidiaries have been made in the ordinary course of business.

Audits

A comprehensive audit of the accounts of the various companies comprising the system was made by Arthur Young & Co., Certified Public Accountants, for the twelve (12) months' period ending July 31, 1930, pursuant to authorization from the Delaware Court of Chancery in the receivership proceedings. The figures used in this Plan (unless otherwise stated) are as of July 31, 1930, and are taken from the audit statements prepared and certified to by Arthur Young & Co. It is understood, however, that the Reorganization Committee, in using such figures, shall not be liable for the accuracy thereof, nor for the accuracy of any figures herein contained, such figures, however, being deemed by the Reorganization Committee as being proper to rely upon for the purposes of this Plan and the accompanying Agreement.

THE PLAN

The Reorganization Committee hereby promulgates this Plan and Agreement for the reorganization of Atlantic Public Utilities, Inc. (in said Agreement and in this Plan also referred to as the "Company") and its subsidiary and affiliated companies, through the readjustment of the respective interests therein of the holders of the various classes of securities, obligations and claims referred to in this Plan and Agreement, who may become parties to this Plan and Agreement, and for the representation of such interests in the securities and stocks of the First Holding Company and Parent Holding Company to be organized, as hereinafter stated, to acquire the properties and assets hereinafter mentioned, in such manner and under such procedure as the Reorganization Committee shall approve. This Plan is hereinafter sometimes separately referred to as the "Plan" and said Plan and Agreement are hereinafter sometimes collectively referred to as the "Plan and Agreement."

I

STATEMENT OF OUTSTANDING SECURITIES

OF

ATLANTIC PUBLIC UTILITIES, INC.
AND ITS SUBSIDIARY AND AFFILIATED COMPANIES

ATLANTIC PUBLIC UTILITIES, INC., AND SUBSIDIARIES.

(A) STATEMENT OF BONDED OR OTHER LONG TERM INDEBTEDNESS OUTSTANDING IN HANDS OF PUBLIC AT JULY 31, 1930

Description	Amount Outstanding Held by Public (*)	
Atlantic Public Utilities, Inc.		
One-Year Convertible 6% Gold Bonds, Series A, due August 1, 1930	$1,500,000	(A)†
Five-Year 6% Coupon Notes, due June 1, 1931	294,000	(A)
Atlantic Public Service Associates, Inc.		
First Lien and Secured 5½% Gold Bonds, due February 1, 1953	4,938.000	(A)
Fifteen-Year 6% Gold Debentures, due February 1, 1943	2,000,000	(A)
Subsidiary Companies		
Southern Public Service Company		
First Mortgage and Collateral Lien 6% Gold Bonds, Series A, due Feb. 1, 1943	1,081,000	(E)†
Carolina-Georgia Service Company		
First Mortgage Sinking Fund 6% Gold Bonds, Series A, due June 1, 1942	1,027,000	(E)
Five-Year Secured 6½% Sinking Fund Gold Bonds, due June 1, 1932	348,000	(E)
The City Water Company		
General First Mortgage 6% Bonds, due September 1, 1932	57,500	(U)†
Oxford Water Company		
First Mortgage 5% Gold Bonds, due July 1, 1937	35,000	(U)
North American Water Works and Electric Corporation		
Ten-Year 6% Convertible Secured Gold Bonds, Series A, due November 1, 1938	$2,789,000	(A)

* The amounts here shown are of securities held by the public and do not include securities held by the parent, subsidiary or affiliated companies or which are pledged for loans of such companies and which loan obligations are either to be acquired by the Reorganization Committee or the First Holding Company or paid under the Plan.

† Explanation of meaning of the letters A, E, U and P shown in this table—(A) securities to be adjusted under the Plan; (E) securities to be eliminated under the Plan; (U) securities to be undisturbed under the Plan; and (P) securities provision for payment whereof has been made out of sales of property of the company which issued such securities, or securities which have matured subsequent to July 31, 1930, and have either been paid or will be paid on consummation of the Plan.

Excluded from participation

Cleveland Southwestern Railway & Light Company		
Thirty-Year General & Consolidated Mortgage 5% Bonds, due March 1, 1954, Series A	926,800	(E)
Purchase Money 6% Car Trust Certificates, $6,500 due semi-annually to April 1, 1934	52,000	(E)
Central Atlantic Water Works and Electric Corporation		
Subsidiary Companies		
Bel Air Water & Light Company		
First Mortgage 5% Bonds, due April 1, 1944	44,900	(U)
Catlettsburg, Kenova & Ceredo Water Company		
First Consolidated 5% Bonds, due Jan. 1, 1933	110,000	(U)
General Mortgage 6% Serial Bonds, due 1929-1957	215,000	(U)
Edwardsville Water Company		
First Mortgage 5½% Gold Bonds, due May 1, 1945	80,000	(U)
Northampton Consolidated Water Company (So. Eastern Water Company)		
First Mortgage 5% Bonds, due June 1, 1932	90,000	(U)
Second Mortgage 5% Bonds, due June 1, 1932	26,000	(U)
Refunding Mortgage 5% Bonds, due July 1, 1951	8,500	(U)
Refunding Mortgage 6% Bonds, due April 1, 1954	538,600	(U)
Ellicott City Water Company		
Miscellaneous 6% Mortgage Notes	13,500	(P)†
Keystone Water Works and Electric Corporation		
First Lien 5½% Gold Bonds, Series A, due December 1, 1952	$4,000,000	(A)
First Lien 5½% Gold Bonds, Series B, due November 1, 1948	4,355,000	(A)
Convertible 6% Gold Debentures, Series A, due December 1, 1942	1,144,500	(A)
Convertible 6% Gold Debentures, Series B, due April 1, 1939	2,200,000	(A)
Subsidiary Companies		
Paducah Water Works Company		
First Mortgage 6% Gold Bonds, due Jan. 1, 1952	590,000	(P)
First Mortgage 5% Gold Bonds, due Jan. 1, 1952	200,000	(P)
General & Refunding Mortgage 5% Bonds	210,000	(P)
Maine State Water & Electric Companies		
Subsidiary Companies		
Eastport Water Company		
First Mortgage 5% Gold Bonds, due October 1, 1944	98,000	(U)
Norway Water Company		
First Mortgage 5% Bond, due 1951	500	(U)
Penobscott County Water Company		
First Mortgage 6% Bonds, due April 1, 1942	250,000	(U)
Guilford Water Company		
First Mortgage 5% Bonds, due Aug. 1, 1930	10,000	(P)

Stockton Springs Water Company			
First Mortgage 6% Bonds, due July 2, 1946		1,500	(U)
Presque Isle Water Company			
First and Refunding Mortgage 5% Bonds, due July 1, 1931		16,500	(U)
Sangerville Water Supply Company			
First Mortgage 5% Bonds, due July 1, 1931		9,500	(U)
Skowhegan Water Company			
6% Notes, due February 1, 1933		61,000	(U)
Southwest Harbor Company			
First Mortgage 5% Notes, due May 1, 1942		36,000	(U)
Union Water Works Company			
First Lien 5½% Gold Bonds, Series A, due March 1, 1942		1,450,000	(E)

(B) Statement of Stocks Outstanding in Hands of Public at July 31, 1930

	Number of Shares Outstanding Held by Public		
Atlantic Public Utilities, Inc.			
Cumulative Preferred Stock			
Series A $7 Cumulative Preferred (no par value)	13,330	Shares	(A)
Common Stock			
Class A $2 Cumulative (no par value)	57,251 143/160	"	(E)
Class B (no par value)	189,271½	"	(E)
Atlantic Public Service Associates, Inc.			
$7 Cumulative Preferred, Series A (no par value)	14,025	"	(A)
Cleveland Southwestern Company			
5% Cumulative Preferred	5,090	"	(E)
Common	2,545	"	(E)
North American Water Works and Electric Corporation			
$7 Cumulative Preferred (no par)	18,789	"	(A)
Class A Common (no par)	25,320	"	(A)
Class B Common (no par)	5,299¾	"	(E)
Keystone Water Works and Electric Corporation			
$6.50 Cumulative Preferred (no par)	13,794	"	(A)
Class A Common (no par)	13,500	"	(A)
Maine State Water & Electric Companies			
Common (no par)	10,000	"	(E)
The Grafton Water Company			
Common	3	"	(U)
Hampton Water Works Company			
6% Preferred	166	"	(U)
Common	2	"	(U)
Indiana Light & Power Company			
7% Cumulative Preferred	13	"	(U)

Millbury Water Company			
6% Cumulative Preferred	14	"	(U)
Common	5	"	(U)
The Mystic Valley Water Company			
Common	126	"	(U)
New Sweden Light & Power Company			
Common	2	"	(U)
The Ohio Northern Public Service Company			
Common	15	"	(U)
Salisbury Water Supply Company			
6% Cumulative Preferred	36	"	(U)
Shenandoah River Power Company			
7% Cumulative Preferred	3	"	(E)
Class A Common	1,074	"	(E)
Carolina-Georgia Service Company			
$7 Cumulative Preferred	5,525	"	(E)
Common	150	"	(E)
Roanoke Ice Delivery, Inc.			
Common	75	"	(E)
Bel Air Water & Light Company			
Common	40	"	(U)
Paducah Water Works Company			
6% Preferred	4,500	"	(P)
Eastport Water Company			
Common	145	"	(U)
Guilford Water Company			
6% Cumulative Preferred	8	"	(U)
Hartland Water Company			
Common	2	"	(U)
Mars Hill & Blaine Water Company			
6% Cumulative Preferred	50	"	(U)
Norway Water Company			
Common	9	"	(U)
The Sanford Water Company			
Common	3,829	"	(P)
Waldoboro Water Company			
Common	1	"	(U)

II

STATEMENT OF SECURITIES TO BE ADJUSTED AND OF SECURITIES TO BE UNDISTURBED

The securities against which the letter (A) appears in the schedule set forth in Article I are to be adjusted under this Plan and the securities against which the letter (U) appears are to be left outstanding undisturbed by the reorganization under this Plan.

III

STATEMENT OF SECURITIES TO BE EXCLUDED

The securities against which the letter (E) appears in the schedule set forth in Article I are to be excluded from any participation in the reorganization.

IV

STATEMENT OF PROPERTIES TO BE DISPOSED OF OR DROPPED,

Stocks of certain companies referred to in Subdivision V are to be disposed of by the Reorganization Committee or First Holding Company at such prices or for such considerations as may be approved by the Reorganization Committee, and the net proceeds therefrom are to be used for the purposes of the reorganization or delivered to the First Holding Company or Parent Holding Company.

V

METHOD OF REORGANIZATION

In carrying out the Plan, two new corporations are to be formed under the laws of Delaware (or such other state or states as the Reorganization Committee may determine), with such names as the Reorganization Committee may determine, one of which corporations (hereinafter referred to as the "First Holding Company") is to acquire directly or through one or more subsidiary holding companies, as the Reorganization Committee may approve, all shares of capital stock of the various operating companies hereinbefore mentioned, controlled by Keystone Water Works and Electric Corporation, Atlantic Public Service Associates, Inc., Maine State Water & Electric Companies, Central Atlantic Water Works and Electric Corporation, and the capital stock of Kanawha Gas & Utilities Company, and also certain notes and obligations not hereinbefore described which are obligations (direct or otherwise) of companies included in the Plan. Arrangements, however, will be made for forthwith disposing of the capital stock and/or assets of the following subsidiaries of Atlantic Public Service Associates, Inc., viz.: Atlantic Flour Mills, Inc., Southern Public Service Company (carrying with it its interest in the stock of Carolina-Georgia Service Company and Roanoke Ice Delivery, Inc.), and also of the following subsidiaries of Keystone Water Works and Electric Corporation, viz.:

Corbin Ice and Beverage Company and Eastern Carolina Service Corporation. The properties of Paducah Water Works Company having been sold, the First Holding Company will acquire with respect thereto only such value, if any, as may appertain to the Common Stock of such company owned by Keystone Water Works and Electric Corporation. The First Holding Company also will dispose of any stock it may acquire of The Cleveland Southwestern Company and Union Water Works Company. In lieu of the First Holding Company acquiring any of the stocks of said above mentioned companies to be immediately disposed of, the Reorganization Committee may acquire all or any of such stocks in such manner as it may determine, and dispose of same for such price as it may determine. This Plan contemplates that there will not be retained in the new system controlled by the First Holding Company any ice properties (with minor exceptions) now constituting a part of the Atlantic Public Utilities, Inc. System.

The second corporation above mentioned so to be organized (hereinafter referred to as the "Parent Holding Company") will acquire all of the outstanding authorized voting Common Stock of the First Holding Company. The First Holding Company and/or the Parent Holding Company may acquire all or any part of the outstanding securities and obligations of and/or claims against any of the present companies included in the Atlantic Public Utilities, Inc. System, whether of Atlantic Public Utilities, Inc. or of any subholding or subsidiary company of Atlantic Public Utilities, Inc., in such manner and for such consideration as the Reorganization Committee may determine. The Reorganization Committee is empowered to effect such mergers or consolidations of subsidiary or affiliated companies as it may deem advisable, and to organize or utilize one or more subsidiary or affiliated companies as it may deem advisable, and to organize or utilize one or more subsidiary or affiliated companies for the purpose of acquiring or holding any of the properties or securities subject to reorganization or adjustment or acquired under the Plan, but in any such event, all of the stock of any such company or companies (except directors' qualifying shares) shall be acquired by the First Holding Company. It is intended that the stocks and/or securities of subholding and operating companies necessary to be acquired for the carrying out of the Plan may be acquired in whole or in part under the direction of the Reorganization Committee through foreclosure decrees or collateral sales, or receivership sales or other court proceedings or in any other manner. The Reorganization Committee is also empowered to enter into agreements with the several committees representing bonds, debentures, securities, claims or obligations to be adjusted under the Plan, or the holders of any such bonds, stocks, securities, claims or obligations for the purpose of effecting exchanges or releases of properties or securities, claims, or other obligations, or for the purpose of effecting adjustments which may be required by any such committee, or any such holders as a condition of their approval and adoption of the Plan.

VI

CAPITAL STRUCTURE OF THE FIRST HOLDING COMPANY AND OF THE PARENT HOLDING COMPANY

(Based upon deposit of all securities dealt with and to be adjusted under the Plan)

(*a*) First Holding Company:

The capital structure of the First Holding Company shall be as follows:

Description	Authorized Amounts	Principal Amounts of Bonds and Stated Value of Stocks Presently to Be Issued
First Lien and Collateral Trust 5½% Bonds (Series A)	(*a*)	$ 4,500,000 (*b*)
General Lien and Collateral Trust 5½% Bonds	$12,750,000	12,058,500 (*c*)
$5.50 Prior Preferred Stock, no par value, 40,852 shares to be presently issued,	60,000 shares	3,676,680 (*c*)
Preferred Stock, no par value, 55,752 shares to be presently issued,	60,000 shares	3,010,608 (*c*)
Common Stock, no par value, 49,922 shares to be presently issued,	60,000 shares	4,992,123 (*c*)
	Total	$28,237,911

(*a*) Unlimited in amount. Additional bonds may be issued in series bearing different maturity dates, rates of interest, etc. under the restrictions of the trust indenture which is to be approved by the Reorganization Committee.

(*b*) The initial issue of these bonds may be such amount in excess of $4,500,000 as the Reorganization Committee may determine to be advisable in order to provide additional moneys for the cash requirements of the Plan.

(*c*) This amount and the number of shares representing the same are subject to reduction, dependent upon the final amount necessary to be used in consummating the Plan.

Reference is made to a hereinafter more detailed statement with respect to the rights, terms and provisions of said bonds and stocks of the First Holding Company.

(*b*) Parent Holding Company: The Parent Holding Company shall acquire all of the issued Common Stock of the First Holding Company.

The capital structure of the Parent Holding Company shall be as follows:

Description	Authorized Amounts	Stated Value of Stocks Presently to Be Issued
Prior Preferred Stock, no par value, 39,853 shares to be presently issued,	50,000 shares	$ 1,434,708 (*b*)
Class A Preferred Stock, no par value, 23,550 shares to be presently issued,	25,000 shares	635,850 (*b*)
Class B Preferred Stock, no par value, 16,135 shares to be presently issued,	25,000 shares	306,565 (*b*)
Common Stock, no par value, 104,600 shares to be presently issued,	150,000 shares	2,615,000 (*a*)
	Total	$ 4,992,123

(*a*) The number of shares and/or stated value of this Common Stock may be increased in order to provide additional moneys for cash requirements of the Plan.

(*b*) This amount and the number of shares representing the same are subject to reduction, dependent upon the final amount necessary to be used in consummating the Plan.

Reference is made to a hereinafter more detailed statement with respect to the rights, terms and provisions of said stocks of the Parent Holding Company.

VII

SECURITIES TO BE ISSUED BY FIRST HOLDING COMPANY

(*a*) First Lien and Collateral Trust Bonds: The aggregate principal amount of First Lien and Collateral Trust Bonds that may be issued is unlimited. These bonds shall be issued under a trust indenture to be executed by the First Holding Company to such trustee or trustees as the Reorganization Committee may approve, and the bonds and trust indenture shall be in such form and contain such terms, covenants, conditions and provisions as shall be satisfactory to the Reorganization Committee. The bonds may be issued from time to time in any number of different series. The first series to be authorized and issued under the Plan for the purposes thereof shall be Series A in the principal amount of $4,500,000, but this amount is subject to increase on approval of the Reorganization Committee, in order to provide additional funds for the cash requirements of the Plan. The bonds of Series A are to mature not later than thirty (30) years from the date thereof, are to bear interest from such date at the rate of five and one-half per cent (5½%) per annum, payable semi-annually, and are to be redeemable at the option of the First Holding Company in whole or in part at any time and from time to time upon at least thirty (30) days' prior notice, at not more than one hundred five per cent (105%) and accrued interest, all as may be approved by the Reorganization Committee. The bonds of other series than Series A may bear different maturity dates and rates of interest and may vary in other respects from the bonds of Series A, all as shall be provided in the said trust indenture. The trust indenture may also provide, in such manner as the Reorganization Committee may determine, for the issuance from time to time of additional bonds, either of Series A or any other series, for the acquisition of outstanding bonds, other obligations and/or stocks of the subsidiaries initially acquired by the First Holding Company under the Plan and/or to cover not more than seventy-five per cent (75%) of the cost or fair value (whichever is less) of any purchased property, including new and additional subsidiaries, or seventy-five per cent (75%) of the expenditures made for any additions, extensions, betterments or improvements to properties of subsidiaries, made subsequent to the consummation of the Plan, and/or for such other purposes as shall be enumerated in the trust indenture, provided net earnings available for interest shall be at least twice the annual interest charges on all the First Lien and Collateral Trust Bonds that will be outstanding immediately after the issuance of such additional bonds, all as may be defined and prescribed in the said indenture. There shall be pledged under this trust indenture, directly or through one or more subsidiary holding companies, as the Reorganization Committee may approve, all of the stocks and mortgage debt and other obligations of the operating companies which shall be acquired and retained by the First Holding Company under the Plan, and suitable provision may, in the discretion of the Reorganization Committee, be made in the trust indenture regarding the pledge of any additional mortgage indebtedness created or other securities issued by such operating subsidiaries. The trust indenture will also contain re-

lease, substitution, maintenance and other provisions to be approved by the Reorganization Committee.

(*b*) GENERAL LIEN AND COLLATERAL TRUST 5½% BONDS: The First Holding Company is to authorize an aggregate principal amount of $12,750,000 of its General Lien and Collateral Trust 5½% Bonds, to mature not later than thirty (30) years from the date thereof, to bear interest from such date as the Reorganization Committee may determine at the rate of five and one-half per cent (5½%) per annum, payable semi-annually, to be redeemable at the option of the First Holding Company in whole or in part at any time and from time to time upon at least thirty (30) days' prior notice, at the principal amount thereof and accrued interest, to be issued under a trust indenture to be executed to such trustee or trustees as the Reorganization Committee may approve, and said bonds and the said trust indenture to be in such form, and to contain such terms, covenants, conditions and provisions as shall be satisfactory to the Reorganization Committee. Said trust indenture shall in the opinion of counsel for the Reorganization Committee constitute a second lien on the securities to be pledged under the trust indenture securing the above mentioned First Lien and Collateral Trust Bonds of the First Holding Company; it shall contain release, substitution, maintenance and other provisions to be approved by the Reorganization Committee and shall provide that any release or substitution made under said trust indenture securing the First Lien and Collateral Trust Bonds shall constitute a similar or like release and/or substitution under the trust indenture securing said General Lien and Collateral Trust Bonds.

(c) PRIOR PREFERRED STOCK: Prior Preferred Stock of the First Holding Company shall be of an authorized amount of sixty thousand (60,000) shares without par value and shall be preferred over all other classes of stock of the First Holding Company as to dividends and assets. The holders of such Prior Preferred Stock shall be entitled to receive, when and as declared by the Board of Directors of the First Holding Company, dividends at the rate of $5.50 per share per annum, and no more, in any year, such dividends at said rate to be paid or declared and set apart for the current and all previous quarterly dividend periods before any dividends in such year shall be declared on any other class of stock of the First Holding Company. Dividends on the Prior Preferred Stock shall accrue and be cumulative from such date as the Reorganization Committee may determine, whether earned or not, in whole or in part, in any year. Upon dissolution or liquidation of the First Holding Company, the holders of the Prior Preferred Stock shall be entitled to receive, before any distribution or payment to holders of any other class of stock of the First Holding Company, $90 per share, plus an amount equal to the accumulated unpaid dividends thereon, whether earned or not. The Prior Preferred Stock shall also be redeemable at the election of the First Holding Company in whole or in part at any time and from time to time upon thirty (30) days' notice, at $90 per share, plus an amount equal to the unpaid cumulative dividends thereon to the date fixed for such redemption, whether earned or not. The Prior Preferred Stock shall not be entitled to voting rights, except as may be required by the law of the state under which such company is incorporated, and except in event of default in payment of such amounts of dividends as may be provided in the Charter or Certificate of Incor-

poration of the First Holding Company to be approved by the Reorganization Committee.

(*d*) PREFERRED STOCK: The Preferred Stock shall be of an authorized amount of sixty thousand (60,000) shares without par value, and shall be preferred over the Common Stock of the First Holding Company both as to dividends and assets. The holders of the Preferred Stock shall be entitled to receive, as and when declared by the Board of Directors of the First Holding Company, and from such date as the Reorganization Committee shall determine, dividends per share per annum not in excess of $1.50 for the first two (2) years, $2.50 per share for the next two (2) years, and $3.50 per share for each year thereafter, and dividends at the rates aforesaid shall be paid or declared and set apart for the current and all previous quarterly dividend periods, to the extent earned in each such year, before any dividends shall be declared on the Common Stock of the First Holding Company. Such dividends shall be payable only out of the net earnings of the First Holding Company available for such payment, and shall be cumulative at such rates to the extent that there are earnings (as defined in the Certificate of Incorporation) applicable toward the payment of such dividends in each such year. Upon the dissolution or liquidation of the First Holding Company, the holders of the Preferred Stock shall be entitled to receive, before any distribution or payment to the holders of the Common Stock, $54 per share, plus an amount equal to such unpaid accumulated dividends thereon. The Preferred Stock shall be redeemable at the election of the First Holding Company in whole or in part at any time and from time to time, upon at least thirty (30) days' notice, at $54 per share, plus an amount equal to such unpaid accumulated dividends thereon. The holders of the Preferred Stock shall not be entitled to any voting rights, except as may be required by the laws of the state in which the First Holding Company is incorporated and except in event of default in payment of such amounts of dividends as may be provided in the Charter or Certificate of Incorporation of the First Holding Company.

(*e*) COMMON STOCK: The Common Stock of the First Holding Company shall be of an authorized issue of sixty thousand (60,000) shares without par value. After the dividend requirements in respect of the Prior Preferred Stock and Preferred Stock have been set aside or provided for, dividends may be declared and paid on the Common Stock. On dissolution or liquidation of the First Holding Company, after providing for the amount required to be paid on dissolution or liquidation to the holders of Prior Preferred Stock and Preferred Stock, the holders of the Common Stock shall be entitled to receive all of the remaining assets or property of the First Holding Company. The holders of the Common Stock shall be entitled to full voting rights, and each share thereof shall entitle the holder thereof to one (1) vote, subject, however, to any requirements as to voting of Prior Preferred Stock and Preferred Stock hereinbefore set forth.

VIII

SECURITIES TO BE ISSUED BY THE PARENT HOLDING COMPANY

(*a*) PRIOR PREFERRED STOCK: The Prior Preferred Stock of the Parent Holding Company shall be of an authorized amount of fifty thousand (50,000) shares without par value, and shall be preferred over the Class A Preferred Stock and Class B Preferred Stock and Common Stock of the Parent Holding Company, both as to dividends and assets. The holders of the Prior Preferred Stock shall be entitled to receive, when and as declared by the Board of Directors of the Parent Holding Company, dividends up to but not exceeding $1 per share per annum for the first two (2) years, $1.75 per share per annum for the next two (2) years, and $2.50 per share per annum thereafter, and dividends at the rates aforesaid shall be paid or declared and set apart for the current quarterly dividend period before any dividends shall be declared on the Class A Preferred Stock and/or the Class B Preferred Stock, and/or the Common Stock of the Parent Holding Company. Dividends on said Prior Preferred Stock shall be non-cumulative. Upon the dissolution or liquidation of the Parent Holding Company, the holders of Prior Preferred Stock shall be entitled to receive, before any distribution or payment to the holders of the Class A Preferred Stock, or holders of Class B Preferred Stock, or holders of Common Stock of the Parent Holding Company, $36 per share. The Prior Preferred Stock shall be redeemable at the election of the Parent Holding Company in whole or in part at any time and from time to time upon at least thirty (30) days' notice, at $36 per share. The Prior Preferred Stock shall have no voting rights, except as may be required by the laws of the state under which the Parent Holding Company is incorporated.

(*b*) CLASS A PREFERRED STOCK: The Class A Preferred Stock of the Parent Holding Company shall be of an authorized amount of twenty-five thousand (25,000) shares without par value, and shall be preferred over the Class B Preferred Stock, and the Common Stock of the Parent Holding Company, both as to dividends and assets. The holders of the Class A Preferred Stock shall be entitled to receive, as and when declared by the Board of Directors of the Parent Holding Company, dividends up to but not exceeding 75 cents per share per annum for the first two (2) years, $1.25 per share per annum for the next two (2) years and $2 per share per annum thereafter, and dividends at the rates aforesaid shall be paid or declared and set apart for the current quarterly dividend period, before any dividends shall be declared on the Class B Preferred Stock or on the Common Stock of the Parent Holding Company. Dividends on the Class A Preferred Stock shall be non-cumulative. Upon the dissolution or liquidation of the Parent Holding Company, the holders of the Class A Preferred Stock shall be entitled to receive, before any distribution or payment to the holders of the Class B Preferred Stock or the holders of Common Stock, $27 per share. The Class A Preferred Stock shall be redeemable at the election of the Parent Holding Company in whole or in part at any time and from time to time upon at least

thirty (30) days' notice, at $27 per share. The Class A Preferred Stock shall have no voting rights, except as may be required by the laws of the state under which the Parent Holding Company is incorporated.

(*c*) CLASS B PREFERRED STOCK: The Class B Preferred Stock of the Parent Holding Company shall be of an authorized amount of twenty-five thousand (25,000) shares without par value, and shall be preferred over the Common Stock, both as to dividends and assets. The holders of the Class B Preferred Stock shall be entitled to receive, as and when declared by the Board of Directors of the Parent Holding Company, dividends up to but not exceeding 50 cents per share per annum for the first two (2) years, 75 cents per share per annum for the next two (2) years, and $1.50 per share per annum thereafter, and dividends at the rates aforesaid shall be paid or declared and set apart for the current quarterly dividend period before any dividends shall be declared on the Common Stock of the Parent Holding Company. Dividends on the Class B Preferred Stock shall be non-cumulative. Upon the dissolution or liquidation of the Parent Holding Company, the holders of the Class B Preferred Stock shall be entitled to receive, before any distribution or payment to the holders of the Common Stock, $19 per share. The Class B Preferred Stock shall be redeemable at the election of the Parent Holding Company in whole or in part at any time and from time to time upon at least thirty (30) days' notice at $19 per share. The Class B Preferred Stock shall have no voting rights, except as may be required by the laws of the state under which the Parent Holding Company is incorporated.

(*d*) COMMON STOCK: The Common Stock of the Parent Holding Company shall be of an authorized issue of one hundred fifty thousand (150,000) shares without par value or such number of shares with par value as may be determined by the Reorganization Committee. After the current quarterly dividends in respect of the Prior Preferred Stock, Class A Preferred Stock and Class B Preferred Stock have been paid or declared and set apart, dividends may be declared and paid on the Common Stock. On dissolution or liquidation of the Parent Holding Company, after providing for the amount required to be paid on dissolution or liquidation to the holders of Prior Preferred Stock, Class A Preferred Stock and Class B Preferred Stock, the holders of the Common Stock shall be entitled to receive all of the remaining assets or property of the Parent Holding Company. The holders of the Common Stock shall be entitled to full voting rights, and each share thereof shall entitle the holder thereof to one (1) vote, subject, however, to any requirements as to voting of Prior Preferred Stock, Class A Preferred Stock or Class B Preferred Stock hereinbefore set forth.

GENERAL

The bonds and stocks of the First Holding Company and of the Parent Holding Company provided to be presently issued and delivered under the Plan in exchange or in partial exchange for securities, claims or obligations, in so far as not used in such exchange, may be reserved for that purpose under restrictions to be fixed by the Reorganization Committee; but if in the judgment of the Reorganization Committee it

will facilitate the execution of the Plan to provide cash for the purposes for which such bonds and stocks might otherwise be reserved, the Reorganization Committee may sell or cause to be sold such bonds or stocks in whole or in part upon such terms and for such consideration as said Reorganization Committee, in its discretion, may determine. The amounts of bonds and stocks proposed to be issued, as herein set forth, are estimated and are based upon the approximate amounts of securities, obligations and claims outstanding in the hands of the public as of July 31, 1930 (except as to outstanding indebtedness provided to be discharged by payment thereof in cash), no account being taken of intercompany holdings. The ultimate amount of each class of bonds and stocks which shall be issued under the Plan will depend upon the extent to which securities dealt with under the Plan are deposited thereunder or subjected thereto and also the extent to which and the manner in which the Reorganization Committee shall exercise the various powers conferred under the Plan, including the power to effect adjustments in respect of, or to modify the provisions of the Plan with respect to, such securities, obligations and/or claims, which the Reorganization Committee may do for reasons deemed by such Committee to be sufficient. No fractional shares of stock or odd amounts of bonds will be issued. Fractional scrip for stock and certificates of participation with respect to bonds, in cases where on exchange fractional or odd amounts would otherwise be issuable, may be issued in such form and on such terms and conditions as may be approved by the Reorganization Committee, and such scrip and certificates of participation may be made non-dividend or non-interest bearing, as the case may be, as shall be determined by the Reorganization Committee. The Charters or Certificates of Incorporation of the First Holding Company and of the Parent Holding Company may, in the discretion of the Reorganization Committee, provide that none of the holders of the stock of any class, of either the First Holding Company or of the Parent Holding Company, shall be entitled to subscribe, as a matter of right, for any unissued or increased stock of any class, or for any obligations convertible into stock of any class, or may contain such other provisions with respect to the right to subscribe for stock of the First Holding Company or of the Parent Holding Company, of any class, or for obligations convertible into stock, of any class, as the Reorganization Committee, in its discretion, may determine. The forms, terms and provisions of the Charters or Certificates of Incorporation, bonds, stocks, trust indentures and other instruments relating to the issuance of securities under this Plan shall be such as the Reorganization Committee in its discretion may approve, and shall be approved by counsel for the Reorganization Committee.

IX

TREATMENT OF BONDS, DEBENTURES, STOCKS AND OBLIGATIONS TO BE ADJUSTED UNDER THE PLAN

Holders of the bonds, debentures, stocks and obligations hereinafter mentioned, of the Company and its subsidiary companies, or of certificates of deposit therefor (that is, certificates of deposit issued under the Reorganization Agreement or under some deposit agreement mentioned in the Reorganization Agreement), who shall be entitled to the benefits of the Plan and Agreement, and who shall have complied with the terms and conditions thereof, will be entitled, subject to the conditions of the Plan and Agreement on the consummation of the Plan, and upon surrender of their bonds, debentures, certificates for stock, obligations, or certificates of deposit therefor, in negotiable form or properly assigned in blank and stamped for transfer, all as the Reorganization Committee may direct, together with such certificates of ownership or otherwise, if any, as may be required under federal or other law, to receive bonds and/or certificates of stock of the First Holding Company and/or the Parent Holding Company, and/or cash as hereinafter stated, and in the following proportions with respect to the following described outstanding securities of the Company and/or its subsidiary companies, viz.:

KEYSTONE WATER WORKS AND ELECTRIC CORPORATION

(*a*) The holders of $8,355,000 aggregate principal amount of First Lien 5½% Gold Bonds, Series A and Series B, will be entitled to receive under the Plan like aggregate principal amounts of General Lien and Collateral Trust 5½% Gold Bonds of the First Holding Company;

(*b*) The holders of $3,344,500 aggregate principal amount of outstanding Convertible 6% Gold Debentures, Series A and Series B, will be entitled to receive for each $1,000 principal amount of such debentures 10 shares of Prior Preferred Stock of the First Holding Company;

(*c*) The holders of the outstanding 13,794 shares of $6.50 Cumulative Preferred Stock will be entitled to receive for each share of such stock 1 share of the Preferred Stock of the First Holding Company;

(*d*) The holders of the outstanding 13,500 shares of Class A Common Stock will be entitled to receive for each share of such stock 38/100 of a share of Preferred Stock of the First Holding Company.

ATLANTIC PUBLIC SERVICE ASSOCIATES, INC.

(*a*) The holders of the $4,938,000 aggregate principal amount of First Lien and Secured 5½% Gold Bonds will be entitled to receive for each $1,000 bond $750 principal amount of General Lien and Collateral Trust 5½% Gold Bonds of the First Holding Company, 1½ shares of Prior Preferred Stock of the First Holding Company, and 1 share of Preferred Stock of the First Holding Company.

(*b*) The holders of the $2,000,000 aggregate principal amount of outstanding Fifteen Year Six Per Cent Gold Debentures will be entitled to receive for each $1,000 of such debentures 2 shares of Preferred Stock of the First Holding Company, and 8 shares of Prior Preferred Stock of the Parent Holding Company;

(*c*) The holders of the outstanding 14,025 shares of $7 Preferred Stock will be entitled to receive for each such share 4/10 of a share of Class A Preferred Stock of the Parent Holding Company, and 2/10 of a share of the Class B Preferred Stock of the Parent Holding Company.

NORTH AMERICAN WATER WORKS AND ELECTRIC CORPORATION

(*a*) The holders of the outstanding $2,789,000 aggregate principal amount of Ten Year Six Per Cent Convertible Secured Gold Bonds will be entitled to receive for each $1,000 bond 10 shares of Preferred Stock of the First Holding Company;

(*b*) The holders of the outstanding 18,789 shares of $7 Cumulative Preferred Stock will be entitled to receive for each share of such stock 1 share of Prior Preferred Stock of the Parent Holding Company;

(*c*) The holders of the outstanding 25,320 shares of Class A Common Stock will be entitled to receive for each share 2/10 of a share of the Prior Preferred Stock of the Parent Holding Company.

ATLANTIC PUBLIC UTILITIES, INC.

(*a*) The holders of the outstanding $1,500,000 aggregate principal amount of Secured Convertible One Year 6% Gold Bonds will be entitled to receive for each $1,000 of such bonds 10 shares of the Class A Preferred Stock of the Parent Holding Company;

(*b*) The holders of $294,000 aggregate principal amount of outstanding Five-Year 6% Notes will be entitled to receive for each $1,000 of such notes 10 shares of the Class A Preferred Stock of the Parent Holding Company;

(*c*) Holders of the outstanding 13,330 shares of $7 Cumulative Preferred Stock, Series A, will be entitled to receive for each such share 1 share of Class B Preferred Stock of the Parent Holding Company.

Holders of the outstanding Atlantic Public Utilities, Inc., Class A Common Stock, and Atlantic Public Utilities, Inc., Class B Common Stock, and North American Water Works and Electric Corporation, Class B Common Stock, will not receive anything under the Plan, as in the judgment of the Reorganization Committee the property values and future earning possibilities do not justify the distribution to such stocks of any new securities under the Plan. The Plan further contemplates no distribution to outstanding Common Stock of Maine State Water & Electric Companies, or to the holders of outstanding Preferred, Class A Common and Class B Common Stock of Shenandoah River Power Company. The First Lien Fifteen-Year 5½% Gold Bonds of Union Water Works Company are likewise excluded from participation in the Plan.

It is contemplated that outstanding demand obligations of the Company and its subsidiary companies included in the Plan to banks will be paid, or arrangements made for current lines of credit to carry all or a portion of such bank loans, and that the collateral now held for such loans will be delivered to or upon the order of the Reorganization Committee to be used for the consummation of the Plan.

It is also contemplated by the Plan hat the outstanding current liabilities of the various companies will be paid through application of current assets of the various com-

panies which will be acquired directly or indirectly under the Plan by the First Holding Company. It is also contemplated that any funds held by the trustees under existing bond issues (other than funds for payment of interest coupons which matured prior to August 1, 1930) will be acquired under the Plan by the First Holding Company.

For convenience of reference there is annexed hereto a schedule showing the allocation of the securities to be issued by the First Holding Company and the Parent Holding Company on account of outstanding securities of the Company and its subsidiary companies, which are to be adjusted under the Plan.

Wherever in this subdivision reference is made to outstanding securities, it is intended to cover securities outstanding in the hands of the public and does not include securities held by the Company and/or its affiliated or subsidiary companies, whether or not pledged as security for loans to any of such companies.

The Reorganization Committee may in its discretion provide out of any moneys available therefor on consummation of the Plan for the payment of unpaid interest on all or any issues of bonds and/or obligations dealt with in the Plan, unpaid and accruing subsequent to July 31, 1930 on the basis of the carrying charge attached to the securities to be delivered under the Plan, but may surcharge such amounts with such share of expenses of the reorganization (including expenses of committees and their counsel fees) as the Reorganization Committee shall deem equitable or proper.

X

ESTIMATED AGGREGATE AMOUNTS OF BONDS AND STOCKS

of

THE FIRST HOLDING COMPANY

and

THE PARENT HOLDING COMPANY TO BE DELIVERED UNDER THE PLAN

(Based upon deposit of all securities dealt with and to be adjusted under the Plan)

FIRST HOLDING COMPANY

Description	Principal Amount or Stated Value*
First Lien and Collateral Trust 5½% Bonds (Series A)	$ 4,500,000
General Lien and Collateral Trust 5½% Bonds	12,058,500
40,852 shares $5.50 Prior Preferred Stock (no par value)	3,676,680
55,752 shares Preferred Stock (no par value)	3,010,608
49,922 shares Common Stock (no par value)	4,992,123
Total	$28,237,911

PARENT HOLDING COMPANY

Description	Stated Value*
39,853 shares Prior Preferred Stock (no par value)	$ 1,434,708
23,550 shares Class A Preferred Stock (no par value)	635,850
16,135 shares Class B Preferred Stock (no par value)	306,565
104,600 shares Common Stock (no par value)	2,615,000
Total	$ 4,992,123

*The stated value with respect to the various classes of stock was computed on the basis of studies made for the purposes of the preparation of the Reorganization Plan, and is reflected in the estimated adjusted consolidated balance sheets set forth as an exhibit to the Plan.

In addition to the above mentioned securities, additional amounts of First Lien and Collateral Trust 5½% Bonds of the First Holding Company and of the Common Stock of the Parent Holding Company may be issued to provide additional cash requirements for consummation of the Plan, it being the intention that such additional cash requirements shall be derived from proceeds of such bonds and stock and/or from sales of properties or companies included in the Plan, provided such sales and application of proceeds thereof are approved by the Reorganization Committee.

The Reorganization Committee as a result of negotiations already had expects to complete arrangements for the sale for cash, to interests which will control the operation and management of the First Holding Company and the Parent Holding Company, of the First Lien and Collateral Trust 5½% Bonds of the First Holding Company, and the Common Stock of the Parent Holding Company.

XI

NON-ASSENTING SECURITY HOLDERS

Holders of securities which are to be dealt with under the Plan, and who do not assent thereto in the manner provided in the Plan and Agreement, will not be entitled to participate in the Plan, if their securities are not deposited within the time limited in the Plan and Agreement, viz.: *before 3:00 P. M. on May 1, 1931,* or such later date or dates as may be fixed by the Reorganization Committee, and will not be entitled to any benefits under the Plan, except on such terms as the Reorganization Committee may determine. Any stocks or securities which will be deliverable under the Plan to such holders had they participated may remain unissued or be issued and disposed of by the Reorganization Committee for any of the purposes of the reorganization.

XII

CONDITIONS AND METHODS OF PARTICIPATION

The Plan and Agreement has been approved by the various Committees representing the securities, obligations and claims as heretofore listed on pages 1 to 10 hereof, the Depositaries for which Committees are as stated in said lists. The Plan and Agreement has also been assented and agreed to by the holders of certain demand obligations of the Company and its subsidiary and affiliated companies referred to in Subdivision 14 of Article Third of the Agreement, and an express undertaking has been entered into by such holders with the Reorganization Committee for the delivery of such obligations and the collateral held therefor in accordance with the requirements of the Plan and Agreement.

Copies of the Plan and Agreement have been or will be filed with the Depositaries under the respective deposit agreements under which the above mentioned Committees are acting. The said respective Committees have entered into agreements with the Reorganization Committee whereby each of such Committees undertakes to take such action in accordance with the deposit agreement under which it is constituted, including amendments, if any, necessary to make this Plan and Agreement binding and conclusive on holders of certificates of deposit issued under such deposit agreement. Every holder of a certificate of deposit issued under any such agreement, who shall so become bound, shall be conclusively and finally deemed for all purposes to have waived irrevocably any right of dissent or withdrawal given by such agreement, and the Plan and Agreement shall be binding on all such holders of certificates of deposit, and they shall not be required, in order to obtain the benefits of the Plan and Agreement, to procure the issue of new certificates of deposit, but their rights, however, shall be only such as are conferred by the Plan and Agreement, and shall be subject to compliance with such terms as the Plan and Agreement may impose as conditions of participation in the benefits thereof. Reference is hereby expressly made to the provisions of Subdivisions (1) to (14) inclusive of Article

Third of the Agreement for a detailed statement of the method of evidencing assents or dissents to the Plan and Agreement by holders of securities which are subject to adjustment or payment under the Plan and Agreement, and the provisions therein contained are deemed incorporated in the Plan with the same force and effect as if they had been set forth in full in the Plan, in the same manner as set forth in the Agreement.

All bonds, debentures, notes, certificates of stock and other instruments evidencing obligations or claims deposited must be in negotiable form or accompanied by proper instruments of assignment in blank for transfer and must be accompanied by such certificates, if any, as shall be required under federal or state laws. Holders of securities assenting to the Plan waive any and all right with respect to such securities, except to receive new securities offered or to be received therefor under the Plan upon consummation thereof. All stock certificates and certificates of deposit for stock which shall be surrendered to the Reorganization Committee in exchange for stocks of the First Holding Company or of the Parent Holding Company to be delivered under the Plan must be endorsed in blank for transfer or accompanied by proper transfers in blank, duly endorsed, and, in either case, proper stamps for transfer under federal or state laws must be affixed.

XIII

REORGANIZATION COMMITTEE

Messrs. Gerald W. Peck, James T. Woodward, A. S. Cummins, A. E. Fitkin and E. L. McBride shall constitute the Reorganization Committee under the Plan and Agreement, and have agreed to act as the Reorganization Committee to endeavor to consummate the adjustments provided for in the Plan, and they shall have the powers and duties and be entitled to the protection and immunities and be subject to the conditions and limitations in the Plan and Agreement provided. The Reorganization Committee shall have the authority and powers expressly conferred upon it under any of the provisions of the Plan and of the accompanying Agreement, including the power to fill vacancies in its membership, and to add to the membership, and shall have all such incidental powers as it may deem necessary or convenient to enable it to carry out the Plan. The expenses of the Reorganization Committee, and the expenses of all other Committees approving or adopting the Plan, and the expenses and compensation of counsel for the Reorganization Committee and of the Purchaser, and of such other Committees and of Depositaries for the Reorganization Committee and of such other Committees as determined or approved by the Reorganization Committee shall be paid as part of the expenses of the Reorganization out of cash to be provided for under the Reorganization Plan, or as otherwise provided for in the Plan. Whenever in the Plan or in said Agreement it is provided that any matter or thing shall be determined or done by the Reorganization Committee, such matter or thing shall be determined or done by the vote or written consent of a majority of the members of the Reorganization Committee then serving as such. Wherever used

in the Plan and said accompanying Agreement, the expression "Reorganization Committee" means a majority of the members of said Reorganization Committee then serving as such Committee.

XIV

SALE OF FIRST LIEN AND COLLATERAL TRUST 5½% BONDS OF THE FIRST HOLDING COMPANY AND OF THE COMMON STOCK OF THE PARENT HOLDING COMPANY

The Reorganization Committee pursuant to negotiations already had expects to arrange for the purchase by a new competent management (hereinafter referred to as the "Purchaser") for cash (at a price to be determined by the Reorganization Committee) of at least $4,500,000 aggregate principal amount of First Lien and Collateral Trust 5½% Bonds of the First Holding Company, and in addition thereto 104,600 shares of Common Stock of the Parent Holding Company for $2,615,000. Additional cash requirements for the consummation of the Plan may be provided by the sale of additional amounts of said bonds and stock and/or properties and companies included in the Plan, such sales and the application of the proceeds thereof, however, to be first approved by the Reorganization Committee. This arrangement provides for the control of the Parent Holding Company, and through it of the First Holding Company, by the Purchaser, and on consummation of the Plan the management of the properties will then be under the control of said Purchaser.

It is understood that the Purchaser may resell any of said bonds to any corporation, firm or syndicate of which any of the members of the Reorganization Committee, or any of the members of any Committee representing securities adjusted under the Plan may be members, at such price as the purchaser may agree to pay, and that such members of the Reorganization Committee, or any other Committee, shall not be accountable in any way to Depositors of securities under the Plan, or to holders of securities accepting the Plan for any profits that may be derived from participation in the sales of such bonds.

XV

DEPOSITARIES

The Chase National Bank of the City of New York, New York, New York, and Continental Illinois Bank and Trust Company, Chicago, Illinois, have been appointed Depositaries of the Reorganization Committee under the Plan and Agreement. The Reorganization Committee may also appoint one or more other Depositaries and/or agents of Depositaries to receive deposits of securities, obligations and claims under the Plan and Agreement. The Depositaries and/or agents of Depositaries acting under the respective deposit agreements hereinbefore mentioned will, unless otherwise determined by the Reorganization Committee, continue to act as the Depositaries and/or agents of Depositaries, as the case may be, for the bonds, debentures and stocks which have not heretofore been deposited under the respective deposit agreements.

All securities, obligations and claims deposited, and all moneys paid under the Plan, or by its terms becoming subject thereto, shall be held by the respective depositaries or agents of depositaries, as the case may be, subject to the order and control of the Reorganization Committee as provided in the Reorganization Agreement. All securities, obligations and claims deposited under the Plan or otherwise becoming subject thereto are to be kept alive so long as deemed necessary by the Reorganization Committee for the purposes of the reorganization or the protection of the First Holding Company and/or Parent Holding Company or the holders of its securities.

XVI

PROVISIONS FOR DECLARING PLAN OPERATIVE

The Reorganization Committee in its discretion may from time to time determine whether and when a sufficient amount of securities, obligations and claims of the various classes shall have been deposited under the Plan, or shall have otherwise assented to the Plan, and when any other conditions considered applicable by the Reorganization Committee shall have been sufficiently complied with, to render it advisable to declare the Plan operative or to proceed further therewith. The Reorganization Committee in its discretion may declare the Plan operative as to all classes of securities, obligations and claims for which provision is made in the Plan, or only as to certain classes of such securities, obligations and claims, but the Plan shall not be declared operative until an agreement in form satisfactory to the Reorganization Committee shall be entered into with a Purchaser satisfactory to the Reorganization Committee for the purchase of the First Lien and Collateral Trust Bonds of the First Holding Company and the Common Stock of the Parent Holding Company initially to be issued under the Plan. If the Plan is declared operative only as to specified classes of securities, obligations or claims, it may later from time to time be declared operative in the discretion of the Reorganization Committee as to any other class or classes of securities, obligations or claims. If in its discretion the Reorganization Committee shall deem it expedient to do so, it may make an adjustment of any liability or indebtedness of the Company or of any of its subsidiary companies, and for that purpose may use cash to the extent available or securities of any class deliverable under the Plan and not otherwise required for the purposes thereof and procure the issue of additional amounts of securities of any class or character under the Plan. Anything herein to the contrary notwithstanding, the Plan shall not be declared operative with respect to the Keystone Water Works and Electric Corporation First Lien Gold Bonds or the Atlantic Public Service Associates, Inc. First Lien and Secured 5½% Gold Bonds, or the notes specified in Subdivision 14 of the accompanying Agreement, unless it shall be declared operative as to all of said securities and until the committees representing the Keystone Water Works and Electric Corporation First Lien Gold Bonds and the Atlantic Public Service Associates, Inc. First Lien and Secured 5½% Gold Bonds shall have approved the purchaser for the purchase of First Lien and Collateral Trust Bonds of the First Holding Company and the Common Stock of the Parent Holding Company initially to be issued under the Plan.

XVII

OTHER CASH REQUIREMENTS NOT HEREINBEFORE MENTIONED

The expenses and obligations of the receivership, reorganization expenses, interest adjustments and other items which under the Plan are to be paid in cash, are to be paid out of moneys coming into the hands or under the control of the Reorganization Committee or otherwise provided for.

XVIII

STATEMENTS AND ESTIMATES

There is annexed hereto (page 42) an estimated consolidated balance sheet based upon the balance sheet of the Company and its subsidiary companies to be included under the Plan as of July 31, 1930, based on the deposit of all securities to be adjusted and dealt with under the Plan, and after giving effect to the adjustments specified in the Plan and after applying an estimated amount of $4,275,000 as the net proceeds of the sale of $4,500,000 First Lien and Collateral Trust 5½% Bonds of the First Holding Company and $2,615,000 as the net proceeds of the sale of the shares of the Common Stock of the Parent Holding Company. Such estimated balance sheet reflects the cash payments to be made under the Plan of certain outstanding demand and bond obligations. It does not reflect the results of operation under the receivership or the expenses and other cash requirements of the reorganization (other than a provision of $500,000 on account of reorganization expense) nor the sales of any property (other than sales of property of Paducah Water Works Company during the receivership).

There are also hereto attached (page 41) an estimated statement of interest-bearing obligations and of dividend-bearing stocks as of the approximate date of consummation of the Plan, after giving effect to the adjustments specified in the Plan, and an estimated statement of charges against earnings and dividends on the basis of figures for gross earnings, after giving effect to such adjustments, and an estimate of possible future earnings and income possibilities for the securities to be received under the Plan.

The statements and estimates contained in the Plan and in the accompanying balance sheets and statements have been compiled from sources believed to be trustworthy, but no statement, estimate or explanation contained in the Plan or in the accompanying Agreement or in any circular or advertisement issued or which may be hereafter issued by the Reorganization Committee, or by any of the committees named herein, or by any of the depositaries or agents of depositaries, or by any representative of any thereof, is intended or is to be accepted as a warranty or as a representation or condition of deposit under or assent to the Plan or said Agreement, and no defect or error shall release any deposit under the Plan, or affect or release any assent thereto or payment made or action taken pursuant thereto, or in any manner subject the Reorganization Committee or any member thereof to any liability, and each depositor becomes such with the understanding as set forth above.

Except as otherwise specifically stated, any and all statements respecting the financial position of the First Holding Company and of the Parent Holding Company and the new securities are for convenience based upon the assumption that all of the securities, obligations and claims of each class dealt with in the Plan will become subject thereto and will accept the provisions made for them in the Plan. Such statements do not take into account the changes which will result in case any of such securities, obligations or claims shall not become subject to the Plan, nor do such statements take into account such additional obligations, if any, as may become subject to the Plan or such additional securities, if any, as may be required for the purposes of the Plan; nor do such statements take into account any adjustments or changes that may be made by the Reorganization Committee in the exercise of the various powers conferred upon it by the Plan and Agreement.

XIX

NOTICES AND EXTENSION OF TIME

All calls or notices under the Plan, if inserted in a daily newspaper of general circulation in the Borough of Manhattan, City and State of New York, and in a daily newspaper of general circulation in the City of Chicago, Illinois, selected by the Reorganization Committee, twice in ten (10) days, in each case on any day of the week, shall be taken and considered as though personally served as of the date of the first publication thereof on all holders of certificates of deposit and on all holders of securities, obligations or claims entitled to participate in the Plan, and, except as in the Plan or in the accompanying Agreement otherwise expressly provided, such publication shall be the only notice required to be given under any provision of the Plan or Agreement. The Reorganization Committee may in its discretion in general or in particular instances extend the time for making any deposit or payment required under the Plan and may impose penalties or conditions in respect thereof.

XX

CONSTRUCTION, AMENDMENTS, ETC.

The Reorganization Committee may construe the Plan and Agreement, and the construction thereof or action thereunder as determined by the Reorganization Committee shall be final and conclusive. It may supply any defect or omission or reconcile any inconsistency in such manner and to such extent as may be necessary in its judgment to carry out the same effectively. The Reorganization Committee shall have full power to abandon the Plan and (subject to the conditions hereinafter contained) to change, modify or amend the Plan. In the event the Reorganization Committee shall determine to make any change or modification in, or amendment of, the Plan, a statement thereof shall be filed with the above-named committees which have approved and adopted the Plan, and (*a*) if within ten (10) days after the filing of any such statement the Re-

organization Committee shall receive notice in writing from any of said committees that in the judgment of such committee the change, modification or amendment proposed adversely affects to a material degree the holders of certificates of deposit representing the class or classes of securities, obligations or claims for which such committee is acting, or (*b*) if in the judgment of the Reorganization Committee any such change, modification or amendment shall adversely affect to a material degree the holders of certificates of deposit for any class or classes of securities, obligations or claims not represented by any committee which shall have approved and adopted the Plan or (*c*) if in the judgment of the Reorganization Committee any such change, modification or amendment shall adversely affect to a material degree the holders of certificates of deposit issued under the Plan or any holders of securities, obligations and claims who with the consent of the Reorganization Committee shall have become bound by the Plan and Agreement without the deposit under the Plan or under any deposit agreement of their securities, obligations and claims, as the case may be, then a statement of such proposed change, modification or amendment shall be filed with the depositary or depositaries of the class or classes of securities, obligations or claims represented by the committee or committees giving notice as aforesaid or which in the opinion of the Reorganization Committee may be so affected, and with the depositaries of the Reorganization Committee, and notice of the fact of such filing shall be given by publication as provided in the Plan and Agreement. Holders of securities, obligations and claims (or of certificates of deposit therefor) of the class or classes so affected may at any time within twenty (20) days after the first publication of such notice withdraw from the Plan in accordance with the provisions of the Plan and Agreement, and shall thereupon cease to have any rights thereunder. Every such holder not so withdrawing within twenty (20) days after the first publication of such notice, and whether or not having actual knowledge thereof, shall be deemed to have assented to the changes, modifications or amendments and shall be bound thereby as fully and effectively as if he had actually assented thereto. Securities, obligations and claims deposited under the Plan or which shall otherwise become subject hereto shall not, without the consent of the Reorganization Committee, be withdrawn except as in the Plan and Agreement provided. The provisions of the Agreement with respect to any amendments of the Plan and Agreement shall be deemed included in the Plan.

EXHIBIT 1

SECURITIES OF THE PRESENT ATLANTIC PUBLIC UTILITIES, INC.

SHOWING DISPOSITION OF SECURITIES OF THE NEW PUBLIC UTILITY HOLDING COMPANIES TO SECURITIES OF PRESENT COMPANIES

(Subject to the Provisions of the Plan)

Face, Book or Stated Value of Securities in Hands of Public Affected by Plan		Name of Security of the Existing Atlantic Public Utilities, Inc., to be Exchanged	Face, Book or Stated Value of Unit	Allocation and Distribution of the Securities of the New First Holding Company						Allocation and Distribution of the Securities of the Parent Holding Company					
				General Lien and Collateral Trust Bonds, $1,000 Face Value		Prior Preferred, $90 Declared Value		Preferred $54 Declared Value		Prior Preferred $36 Declared Value		Class "A" Preferred $27 Declared Value		Class "B" Preferred $19 Declared Value	
				Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit
			Keystone Water Works and Electric Corp.												
$4,000,000			1st Lien, 5¼%, Series "A" Gold Bonds	$1,000 Bond	$4,000,000.00	$1,000.00									
4,355,000			1st Lien, 5¼%, Series "B" Gold Bonds	$1,000 Bond	4,355,000.00	1,000.00									
	$8,355,000.00				8,355,000.00										
1,144,500			Convertible 6% Debentures, due 12-1-42, "A"	$1,000 Bond			$1,030.050.00	10 Shares							
2,200,000			Convertible 6% Debentures, due 4-1-39, "B"	$1,000 Bond			1,980,000.00	10 Shares							
	3,344,500.00						3,010,050.00								
13,794 shs.	1,255,703.65		$6.50 Cumulative Preferred	$91.00 Share					$ 744,876.00	1 Share					
13,500 shs.	513,000.00		Class "A" Common	$38.00 Share					277,020.00	38/100 Share					
			North American Water Works & Electric Corp.												
	2,789,000.00		10-year 6% Gold Bonds	$1,000 Bond					1,506,060.00	10 Shares					
18,789 shs.	1,504,172.20		$7 Cum. Preferred	$80.00 Share							$ 676,404.00	1 Share			
25,320 shs.	505,502.89		Class "A" Common	$20.00 Share							182,304.00	2/10 Share			
			Atlantic Public Service Associates, Inc.												
	4,938,000.00		1st Lien and Secured 5½% Gold Bonds	$1,000 Bond	3,703,500.00	750.00	666,630.00	1½ Shares	266,652.00	1 Share					
	2,000,000.00		15-Year 6% Gold Debentures	$1,000 Bond					216,000.00	2 Shares	576,000.00	8 Shares			
14,025 shs.	1,206,714.74		$7 Cum. Preferred "A"	$86.00 Share									$151,470.00	4/10 Share	$ 53,295.00	2/10 Share
			Atlantic Public Utilities, Inc.												
	1,500,000.00		One-Year Conv. 6% Gold Bonds	$1,000 Bond									405,000.00	10 Shares		
	294,000.00		Five-Year 6% Notes, due 6-1-31	$1,000 Bond									79,380.00	10 Shares		
13,330 shs.	1,239,851.00		$7 Cum. Preferred "A"	$93.00 Share											253,270.00	1 Share

EXHIBIT 2

ESTIMATED INDICATED INCOME ON SECURITIES TO BE RECEIVED IN EXCHANGE*
(Subject to the provisions of the Plan)

	First Year†	Second Year†	Third Year†	Fourth Year†	Fifth Year and Each Year Thereafter†	Amounts to be Issued‡	Principal Amount or Stated Value
First Holding Company:							
First Lien and Collateral Trust Gold Bonds ($1,000 Bonds)....	5½%	5½%	5½%	5½%	5½%	$ 4,500,000.00	$ 4,500,000.00 (h)
General Lien and Collateral Trust 5½% Bonds ($1,000 Bonds) (a)..	5½%	5½%	5½%	5½%	5½%	12,058,500.00	12,058,500.00
Prior Preferred (per share) (b)...	$5.50	$5.50	$5.50	$5.50	$5.50	40,852 Shares	3,676,680.00
Preferred (per share) (c).....	$1.50	$1.50	$2.50	$2.50	$3.50	55,752 Shares	3,010,608.00
Common (per share) (g).....	....	....	....	....	....	49,922 Shares	4,992,123.00
						Total.....	$28,237,911.00
Parent Holding Company:							
Prior Preferred (per share) (d)...	$1.00	$1.00	$1.75	$1.75	$2.50	39,853 Shares	$ 1,434,708.00
Class A Preferred (per share) (e).	$ .75	$ .75	$1.25	$1.25	$2.00	23,550 Shares	635,850.00
Class B Preferred (per share) (f).	$ .50	$ .50	$ .75	$ .75	$1.50	16,135 Shares	306,565.00
Common (per share) (g).....	....	....	....	....	....	104,600 Shares	2,615,000.00
						Total.....	$ 4,992,123.00

*Based on studies made in connection with the preparation of the Plan.

†First, Second Year, etc., described as First Year, etc., of operation after consummation of Plan and exchange has been effected or from such time as Reorganization Committee decides, as provided in the Plan and Agreement.

‡The amounts shown in this column are principal amounts of bonds and numbers of shares of stock (all without par value) to be issued under the Plan on the assumption of deposit under the Plan and accompanying Agreement of all securities to be adjusted under the Plan and may be subject to reduction, dependent upon the final amounts necessary to be used in consummating the Plan.

(a) To be thirty-year bonds bearing interest at 5½%, payable semi-annually, redeemable at any time on thirty days' prior notice at the principal amount thereof and accrued interest to date fixed for redemption.

(b) Entitled to preferential cumulative dividends at $5.50 per share, redeemable at $90 per share plus an amount equal to unpaid cumulative dividends thereon and entitled on dissolution or liquidation to preferential payment of $90 per share plus an amount equal to unpaid cumulative dividends thereon.

(c) Entitled in preference to common stock to dividends of $1.50 per share per annum for first two (2) years, $2.50 per share per annum for the next two (2) years and $3.50 per share per annum for each year thereafter, all of which shall be cumulative to the extent that there are earnings (as defined in the certificate of incorporation) applicable toward the payment of such dividends in each such year; redeemable at $54 per share plus an amount equal to such unpaid cumulative dividends thereon, and entitled on dissolution or liquidation to payment in preference to common stock of $54 per share plus an amount equal to such unpaid cumulative dividends thereon.

(d) Entitled to preferential non-cumulative dividends of $1 per share per annum for first two (2) years; $1.75 per share per annum for next two (2) years, and $2.50 per share per annum for each year thereafter, redeemable at $36 per share and on dissolution or liquidation entitled to preferential payment of $36 per share.

(e) Entitled in preference to Class B Preferred Stock and Common Stock to non-cumulative dividends of 75 cents per share per annum for the first two (2) years; $1.25 per share per annum for the next two (2) years, and $2 per share per annum for each year thereafter; redeemable at $27 per share; and entitled on dissolution or liquidation to payment of $27 per share in preference to Class B Preferred Stock and Common Stock of Parent Holding Company.

(f) Entitled in preference to common stock to non-cumulative dividends at rate of 50 cents per share per annum for the first two (2) years, 75 cents per share per annum for the next two (2) years, and $1.50 per share per annum for each year thereafter; redeemable at $19 per share; and entitled on dissolution or liquidation to payment of $19 per share in preference to Common Stock of Parent Holding Company.

(g) All the common stock of the First Holding Company will be owned by the Parent Holding Company, and all the common stock of the Parent Holding Company will be owned by the Purchaser, as set forth in the Plan.

(h) First Lien and Collateral Trust Gold Bonds to be sold to Purchaser for cash as set forth in Plan.

EXHIBIT 3

BALANCE SHEETS—AFTER REORGANIZATION—AS AT JULY 31, 1930

	Parent Holding Company Consolidated	*First* Holding Company Consolidated
Assets:		
Plant and Property	$28,893,587.00	$28,893,587.00
Excess of Cost of Investment in Subsidiaries over Net Worth at Acquisition	4,084,520.88	4,084,520.88
Miscellaneous Investments	17,226.44	17,226.44
Current Assets	2,053,309.64	2,053,309.64
Deferred Charges:		
Unamortized Debt Discount and Expense	374,384.23	374,384.23
Prepayments	61,178.33	61,178.33
Miscellaneous	51,863.49	51,863.49
Total Assets	$35,536,070.01	$35,536,070.01
Liabilities and Capital:		
Funded Debt—First Holding Company	$16,558,500.00	$16,558,500.00
Operating Subsidiaries	1,678,500.00	1,678,500.00
Current Liabilities	381,884.54	381,884.54
Accrued Liabilities	524,702.59	524,702.59
Provision for Cost of Receivership	500,000.00	500,000.00
Provision for Other Contingent Payments	190,009.40	190,009.40
Deferred Credits:		
Unearned Revenues	145,076.44	145,076.44
Consumers' Deposits, etc	151,085.64	151,085.64
Miscellaneous	7,085.92	7,085.92
Reserves:		
Retirement	3,346,553.00	3,346,553.00
Uncollectible Accounts	53,006.79	53,006.79
Contributions for Extensions	147,887.90	147,887.90
Preferred Stock—Operating Subsidiaries	28,850.00	28,850.00
First Holding Company	6,687,288.00	6,687,288.00
Parent Holding Company	2,377,123.00	.....
Common Stock—Operating Subsidiaries	73,824.00	73,824.00
Proportion of Surplus	69,692.79	69,692.79
First Holding Company:	.....	4,992,123.00
Parent Holding Company	2,615,000.00	.....
Total Liabilities and Capital	$35,536,070.01	$35,536,070.01

Note—These Balance Sheets are based upon the assumption of deposit under the Plan and accompanying Agreement of all securities to be adjusted under the Plan and upon assumptions as to property values referred to in the Plan.

REORGANIZATION AGREEMENT.

Agreement, dated March 20, 1931, between **GERALD W. PECK, JAMES T. WOODWARD, A. S. CUMMINS, A. E. FITKIN** and **E. L. McBRIDE,** as a Committee (hereinafter called the "Reorganization Committee"), constituted to act as a Committee for the reorganization of

ATLANTIC PUBLIC UTILITIES, INC.

a Delaware corporation (hereinafter called the "Company"), and its subsidiary and affiliated companies, in the manner hereinafter and in the accompanying Plan of Reorganization (hereinafter called the "Plan") provided, parties of the first part, and the holders of bonds, debentures, notes, obligations, claims and shares of stock hereinafter mentioned, who shall become parties to this Agreement as hereinafter provided, and the holders of certificates of deposit issued under or subject to the Plan and this Agreement (hereinafter collectively called "Depositors"), parties of the second part.

WHEREAS, the various committees hereinafter listed representing the securities, obligations and claims hereinafter set forth have approved and adopted the Plan and recommended or agreed to recommend its adoption by their respective Depositors and the holders of the various classes of securities, obligations and claims which said committees respectively were organized to represent, and certain holders of securities, obligations and claims hereinafter mentioned have also approved and adopted the Plan, and all have requested the parties of the first part as a Reorganization Committee, acting as provided in the Plan and this Agreement, to endeavor to consummate the Plan:

NOW, THEREFORE, in consideration of the premises, of the mutual benefits expected to be derived from the performance hereof, and of the conditions and promises herein contained, and of the endeavors of the Reorganization Committee to consummate the Plan, and for other valuable considerations, the parties hereto agree, each of the Depositors agreeing with each of the other Depositors and with the Reorganization Committee, as follows:

First: The Plan is and shall be taken to be a part of this Agreement, with the same effect as though each and every provision thereof were embodied herein, and the Plan and this Agreement (hereinafter together called this "Plan and Agreement") shall be read and construed as parts of one and the same instrument. The term "deposited securities, obligations and claims," or similar expression, when used in this Agreement, shall, unless the context otherwise requires, include all bonds, debentures, notes, obligations, claims and stocks directly deposited hereunder or represented by certificates of deposit, the holders of which shall have assented to or which shall be subject to this Plan and Agreement in any manner as herein and/or in this Plan provided; and the term "securities, obligations and claims," or similar expression, whenever used in this Agreement, shall, unless the context otherwise requires, be deemed to

include bonds, debentures, notes, obligations, claims and stocks, or certificates of deposit therefor, entitled to participate in this Plan and Agreement upon compliance with the provisions and conditions hereof. The term "certificates of deposit," whenever used in this Agreement, shall, unless the context otherwise requires, include certificates of deposit issued under this Plan and Agreement or under any of the deposit agreements hereinafter mentioned. The term "Parent Holding Company," whenever used herein, shall mean the parent holding company referred to in the Plan and to be organized as therein provided, and the term "First Holding Company," whenever used herein, shall mean the first holding company referred to in the Plan and to be organized as therein provided.

Second: The securities, obligations and claims to be adjusted under the Plan, as therein set forth, may be deposited under or become subject to this Plan and Agreement upon the terms and conditions stated herein and in the Plan. All securities, obligations and claims deposited must be in negotiable form and be accompanied by proper instruments of assignment in blank for transfer, together with such ownership and/or other certificates as may be required under federal and/or state laws. All bonds and debentures must be accompanied by all unpaid appurtenant coupons payable on or after August 1, 1930, or detached unpaid interest coupons may be separately deposited as provided or authorized by the deposit agreements under which the various committees hereinafter mentioned are acting, or as hereinafter provided may be separately deposited under this Plan and Agreement with the Depositaries for the Reorganization Committee as may from time to time be authorized by the Reorganization Committee. The stock certificates or certificates of deposit therefor must be endorsed in blank for transfer or accompanied by transfers in blank duly executed, and must be properly stamped for transfer.

Third: Holders of securities, obligations and claims (or certificates of deposit therefor) entitled to participate in the Plan may become entitled to the benefits thereof as hereinafter provided, but no such holder shall be entitled to any of the benefits conferred by this Plan and Agreement who shall not deposit his securities, obligations and claims with the appropriate depositary upon request of the Reorganization Committee.

SUBDIVISION 1

KEYSTONE WATER WORKS AND ELECTRIC CORPORATION
(formerly named Keystone Water Works Corporation)

FIRST LIEN 5½% GOLD BONDS

SERIES A AND SERIES B

(a) A. S. Cummins, W. B. Prickitt, Ray L. Junod, Franklin J. Stransky, Charles H. Adams, Freeman Day and Waldemar de Bille, constituting and acting as a committee (hereinafter sometimes called the "Keystone First Lien Committee") under a deposit agreement dated August 30, 1930 (hereinafter sometimes called the "Keystone First Lien Bondholders' Agreement"), between said Committee and holders of First Lien 5½% Gold Bonds, Series A and Series B (in this Subdivision hereinafter called "Keystone First Lien Bonds") of Keystone Water Works and Electric Corporation (formerly named Keystone Water Works Corporation) have approved and adopted this Plan and Agreement in the exercise of the powers conferred upon said Committee by the Keystone First Lien Bondholders' Agreement. A copy of this Plan and Agreement has been or will be lodged by the Keystone First Lien Committee with Continental Illinois Bank and Trust Company, Chicago, Illinois, and Guaranty Trust Company of New York, New York, New York, respectively the Depositary and Sub-Depositary under the Keystone First Lien Bondholders' Agreement, and notice of the fact of such approval, adoption and lodging of this Plan and Agreement will be given by the Keystone First Lien Bondholders' Committee in accordance with the provisions of said Keystone First Lien Bondholders' Agreement by publication thereof at least twice in each week for two (2) successive weeks (in each case upon any days of the week) in at least one (1) newspaper of general circulation published in the Borough of Manhattan, City of New York, New York, and in at least one (1) newspaper of general circulation published in the City of Chicago, Illinois, or by mailing same to depositors under said agreement, as provided in said agreement, or by both such publication and such mailing. Such publication of said notice to be given by publication, and otherwise such mailing, shall be conclusive notice to all depositors as of the date under said agreement of the first publication, or the date of mailing, as the case may be, of such adoption, approval and lodging of this Plan and Agreement by said Committee.

(b) Any holder of a certificate of deposit issued under the Keystone First Lien Bondholders' Agreement may, in accordance with the provisions thereof, within thirty (30) days after the first publication of such notice, if such notice is given by publication, and otherwise within thirty (30) days after the date of mailing of such notice, but in no event prior to such first publication or mailing, except as otherwise provided in said agreement, upon filing with said Depositary or Sub-Depositary under said agreement written notice of his dissent from such Plan and Agreement, and upon surrender to such Depositary or Sub-Depositary of a certificate of deposit duly endorsed in blank, withdraw from said agreement upon paying to such Depositary or Sub-Depositary: (a) any amount, with interest, which may have been advanced by said Committee in respect of

interest upon the bonds represented by his certificate of deposit; and (b) such amount as said Committee may fix as his pro rata share of the expenses and indebtedness and advances and liabilities and obligations of said Committee incurred to the date of such withdrawal; and (c) any and all transfer taxes required by law; and (d) at the election of said Committee, such sum as said Committee, in its sole and unrestricted discretion, shall fix as the pro rata sum necessary to be paid to obtain the release from any pledge, lien or charge which may have been created by said Committee pursuant to the terms of said agreement of or on the bonds represented by the certificate of deposit surrendered and/or of or on the pro rata share, as determined by said Committee apportionable to such bonds or any bonds or any other securities or other property held under said agreement. No holder of any certificate of deposit issued under the Keystone First Lien Bondholders' Agreement, who shall withdraw therefrom in the manner authorized therein, shall be entitled to any rights or benefits under this Plan and Agreement. Holders of certificates of deposit issued under the Keystone First Lien Bondholders' Agreement, who shall not withdraw therefrom in the manner authorized therein within said period of thirty (30) days, shall be conclusively and finally deemed for all purposes to have irrevocably waived the right of withdrawal thereby given to them, and this Plan and Agreement shall be binding on all such holders who shall not have so withdrawn, all of whom shall be conclusively and finally deemed for all purposes to have assented to this Plan and Agreement and the terms thereof, whether they shall have received actual notice or not, and shall be irrevocably bound by the same. Holders of such certificates of deposit who shall not exercise said right of withdrawal and who shall become bound by this Plan and Agreement will be entitled to the benefits hereof without the issue of new certificates of deposit.

(c) Holders of Keystone First Lien Bonds, who have not heretofore deposited their said bonds under the Keystone First Lien Bondholders' Agreement, may become entitled to the benefits of this Plan and Agreement by depositing their said bonds and unpaid appurtenant coupons payable on or after November 1, 1930, under the Keystone First Lien Bondholders' Agreement, with Continental Illinois Bank and Trust Company, Chicago, Illinois, or with Guaranty Trust Company of New York, New York, New York, respectively Depositary and Sub-Depositary under said agreement *before 3:00 P. M. on May 1, 1931,* or on such later date as the Reorganization Committee may determine, as hereinafter provided. Such holders shall upon such deposit receive in respect of the bonds so deposited, certificates of deposit issued under said agreement, and by the acceptance of any such certificate of deposit shall be deemed to have assented to the Plan and Agreement and to have waived any and all right of withdrawal given by the Keystone First Lien Bondholders' Agreement.

(d) The Keystone First Lien Bonds and unpaid appurtenant coupons payable on or after November 1, 1930, represented by certificates of deposit issued under Keystone First Lien Bondholders' Agreement, the holders of which shall not have withdrawn, as in paragraph (b) of this Subdivision 1 provided, shall be or continue to be held by the Depositary and/or Sub-Depositary under said agreement, and the Keystone First Lien Bonds and such coupons deposited as in the foregoing paragraph (c) provided, shall be

or continue to be held by the Depositary or Sub-Depositary under said agreement, but shall be subject, nevertheless, to all of the terms and provisions of this Plan and Agreement. Such bonds and coupons shall, as and when the Plan shall have been declared operative, be transferred and assigned by the Keystone First Lien Bondholders' Committee, as shall be directed by the Reorganization Committee for the purposes of the consummation of the Plan. The rights of all holders of certificates of deposit becoming bound by this Plan and Agreement, in any manner herein provided, shall be only such as are conferred by this Plan and Agreement, and shall be subject to compliance with such terms as this Plan and Agreement may impose as conditions of participation in the benefits hereof.

SUBDIVISION 2

KEYSTONE WATER WORKS AND ELECTRIC CORPORATION
(formerly named Keystone Water Works Corporation)

CONVERTIBLE 6% GOLD DEBENTURES
SERIES A AND SERIES B

(a) Edward L. McBride, Harold E. Aul, Chester C. Levis, Gerald W. Peck, and Frederick Y. Toy, constituting and acting as a committee (hereinafter sometimes called the "Keystone Debentureholders' Committee") under a deposit agreement dated August 22, 1930 (hereinafter sometimes called the "Keystone Debentureholders' Agreement"), between said Committee and holders of Convertible 6% Gold Debentures, Series A and Series B (in this Subdivision hereinafter sometimes called "Keystone Debentures"), of Keystone Water Works and Electric Corporation (formerly named Keystone Water Works Crporation), have approved and adopted this Plan and Agreement in the exercise of the powers conferred upon said Committee by said Debentureholders' Agreement. A copy of this Plan and Agreement has been or will be lodged by the Keystone Debentureholders' Committee with American Trust Company, New York, New York, and with Foreman-State Trust and Savings Bank, Chicago, Illinois, respectively Depositary and Sub-Depositary under said Keystone Debentureholders' Agreement, and notice of the fact of such approval, adoption and lodging of this Plan and Agreement will be given by the Keystone Debentureholders' Committee in accordance with the provisions of said Keystone Debentureholders' Agreement by publication thereof at least twice in each week for two (2) successive weeks (in each case upon any days of the week) in at least one (1) newspaper of general circulation published in the Borough of Manhattan, City of New York, New York, and in at least one (1) newspaper of general circulation published in the City of Chicago, Illinois, or by mailing same to depositors under said agreement, as provided in said agreement, or by both such publication and such mailing. Such publication of said notice to be given by publication, and otherwise such mailing shall be conclusive notice to all depositors as of the date under said agreement of the first publication, or the date of mailing, as the case may be, of such adoption, approval and lodging of this Plan and Agreement by said Committee.

(b) Any holder of a certificate of deposit issued under the Keystone Debentureholders' Agreement may, in accordance with the provisions thereof, within thirty (30) days after the first publication of such notice, if such notice is given by publication, and otherwise within thirty (30) days after the date of mailing of such notice, but in no event prior to such first publication or mailing, except as otherwise provided in said agreement, upon filing with said Depositary or Sub-Depositary under said agreement written notice of his dissent from such Plan and Agreement, and upon surrender to such Depositary or Sub-Depositary of a certificate of deposit duly endorsed in blank, withdraw from said agreement upon paying to such Depositary or Sub-Depositary: (a) any amount, with interest, which may have been advanced by said Committee in respect of interest upon the debentures represented by his certificate of deposit; and (b) such amount as said Committee may fix as his pro rata share of the expenses and indebtedness and advances and liabilities and obligations of said Committee incurred to the date of such withdrawal; and (c) any and all transfer taxes required by law; and (d) at the election of said Committee, such sum as said Committee, in its sole and unrestricted discretion, shall fix as the pro rata sum necessary to be paid to obtain the release from any pledge, lien or charge which may have been created by said Committee pursuant to the terms of said agreement of or on the debentures represented by the certificate of deposit surrendered and/or of or on the pro rata share, as determined by said Committee apportionable to such debentures or any debentures or any other securities or other property held under said agreement. No holder of any certificate of deposit issued under the Keystone Debentureholders' Agreement, who shall withdraw therefrom in the manner authorized therein, shall be entitled to any rights or benefits under this Plan and Agreement. Holders of certificates of deposit issued under the Keystone Debentureholders' Agreement, who shall not withdraw therefrom in the manner authorized therein within said period of thirty (30) days, shall be conclusively and finally deemed for all purposes to have irrevocably waived the right of withdrawal thereby given to them, and this Plan and Agreement shall be binding on all such holders who shall not have so withdrawn, all of whom shall be conclusively and finally deemed for all purposes to have assented to this Plan and Agreement and the terms thereof, whether they shall have received actual notice or not, and shall be irrevocably bound by the same. Holders of such certificates of deposit who shall not exercise said right of withdrawal, and who shall become bound by this Plan and Agreement, will be entitled to the benefits hereof without the issue of new certificates of deposit.

(c) Holders of Keystone debentures, who have not heretofore deposited their said debentures under the Keystone Debentureholders' Agreement, may become entitled to the benefits of this Plan and Agreement by depositing their said debentures and unpaid appurtenant coupons payable on or after October 1, 1930, under the Keystone Debentureholders' Agreement, with American Trust Company, New York, New York, or with Foreman-State Trust and Savings Bank, Chicago, Illinois, respectively Depositary and Sub-Depositary under said agreement *before 3:00 P. M. on May 1, 1931,* or on such later date as the Reorganization Committee may determine, as hereinafter provided. Such holders shall upon such deposit receive in respect of the debentures so deposited certificates

of deposit issued under said agreement, and by the acceptance of any such certificate of deposit shall be deemed to have assented to this Plan and Agreement and to have waived any and all right of withdrawal given by the Keystone Debentureholders' Agreement.

(d) The Keystone Debentures and unpaid appurtenant coupons payable on or after October 1, 1930, represented by certificates of deposit issued under Keystone Debentureholders' Agreement, the holders of which shall not have withdrawn, as in paragraph (b) of this Subdivision 2 provided, shall be or continue to be held by the Depositary and/or Sub-Depositary under said agreement, and the Keystone Debentures and such coupons deposited as in the foregoing paragraph (c) provided, shall be or continue to be held by the Depositary or Sub-Depositary under said agreement, but shall be subject, nevertheless, to all of the terms and provisions of this Plan and Agreement. Such debentures and coupons shall, as and when the Plan shall have been declared operative, be transferred and assigned by the Keystone Debentureholders' Committee, as shall be directed by the Reorganization Committee for the purpose of the consummation of the Plan. The rights of all holders of certificates of deposit becoming bound by this Plan and Agreement, in any manner herein provided, shall be only such as are conferred by this Plan and Agreement, and shall be subject to compliance with such terms as this Plan and Agreement may impose as conditions of participation in the benefits hereof.

SUBDIVISION 3

KEYSTONE WATER WORKS AND ELECTRIC CORPORATION
(formerly named Keystone Water Works Corporation)

$6.50 CUMULATIVE PREFERRED STOCK

(a) Douglas G. Wagner, Gerald W. Peck, Frederick Y. Toy, Arthur L. Chambers, and Milton S. Trost, constituting and acting as a committee (hereinafter sometimes called the "Keystone Preferred Stockholders' Committee") under a deposit agreement dated October 1, 1930 (hereinafter sometimes called the "Keystone Preferred Stockholders' Agreement"), between said Committee and holders of $6.50 Cumulative Preferred Stock (hereinafter referred to as "Keystone Preferred Stock") of Keystone Water Works and Electric Corporation (formerly named Keystone Water Works Corporation), have approved and adopted this Plan and Agreement in the exercise of the powers conferred upon said Committee by the Keystone Preferred Stockholders' Agreement. Copies of this Plan and Agreement have been or will be filed by the Keystone Preferred Stockholders' Committee with American Trust Company, New York, New York, the Depositary under the Keystone Preferred Stockholders' Agreement, and notice of the formulation and such approval and adoption of this Plan and Agreement and of such filing thereof will be given by said Committee in accordance with the provisions of said Keystone Preferred Stockholders' Agreement, either by mailing to each Depositor under said agreement, or by publication once a week for two (2) successive calendar weeks (on any day of the week) in a daily newspaper printed in the English language and published in the Borough of Manhattan, City of New York, New York. Such filing of such copy of this Plan and Agreement, and

either such mailing or such publication of notice thereof, shall be and be deemed conclusive notice to the Depositors under said agreement and each of them, of the formulation and approval of this Plan and Agreement.

(b) Any registered holder of a certificate of deposit issued under the Keystone Preferred Stockholders' Agreement may in accordance with the provisions thereof, at any time after the mailing of such statement or the first publication of such notice (but not prior thereto), and up to but not later than the twentieth (20th) day after such mailing or the first publication of such notice, withdraw from said agreement upon surrender to the Depositary under said agreement of his certificate of deposit properly endorsed in blank, with necessary stamps, and upon prior payment to such Depositary for the account of said Committee of such amount as said Committee may in its sole and uncontrolled discretion at the time fix as a fair contribution toward the reasonable compensation and expense of said Committee not in excess of a maximum of Five Dollars ($5) per share for each share represented by such certificate of deposit so surrendered, and toward the other indebtedness or obligations of said Committee, if any, which have been incurred up to that time. No holder of any certificate of deposit issued under the Keystone Preferred Stockholders' Agreement, who shall withdraw therefrom in the manner authorized therein, shall be entitled to any rights or benefits under this Plan and Agreement. Holders of certificates of deposit issued under the Keystone Preferred Stockholders' Agreement, who shall not withdraw therefrom in the manner authorized therein within said period of twenty (20) days, shall be conclusively and finally deemed for all purposes to have irrevocably waived the right of withdrawal thereby given to them, and this Plan and Agreement shall be bindng on all such holders who shall not have so withdrawn, all of whom shall be conclusively and finally deemed for all purposes to have assented to this Plan and Agreement and the terms thereof, whether they shall have received actual notice or not, and shall be irrevocably bound by the same. Holders of such certificates of deposit, who shall not exercise said right of withdrawal, and shall become bound by this Plan and Agreement, will be entitled to the benefits hereof without the issue of new certificates of deposit.

(c) Holders of Keystone Preferrred Stock, who have not heretofore deposited their said Preferred Stock under the Keystone Preferred Stockholders' Agreement, may become entitled to the benefits of this Plan and Agreement by depositing their said stock under the Keystone Preferred Stockholders' Agreement with American Trust Company, 135 Broadway, New York, New York, the Depositary under said agreement, *before 3:00 P. M. on May 1, 1931,* or on such later date as the Reorganization Committee may determine, as hereinafter provided. Such holders shall, upon such deposit of their stock duly assigned in blank and bearing all necessary stamps, and by the acceptance of any such certificate of deposit, be deemed to have assented to this Plan and Agreement and to have waived any and all right of withdrawal given by the Keystone Preferred Stockholders' Agreement.

(d) The Keystone Preferred Stock represented by certificates of deposit issued under the Keystone Preferred Stockholders' Agreement, the holders of which shall not

have withdrawn as in paragraph (b) of this Subdivision 3 provided, and the Keystone Preferred Stock deposited as in the foregoing paragraph (c) hereof provided, shall be and continue to be held by the Depositary under said agreement, but shall be subject, nevertheless, to all of the terms and provisions of this Plan and Agreement. Such Preferred Stock shall, as and when the Plan shall have been declared operative, be transferred and assigned by the Keystone Preferred Stockholders' Committee, as shall be directed by the Reorganization Committee for the purposes of the consummation of this Plan. The rights of all holders of certificates of deposit becoming bound by this Plan and Agreement, in any manner herein provided, shall be only such as are conferred by this Plan and Agreement, and shall be subject to compliance with such terms as this Plan and Agreement may impose as conditions of participation in the benefits hereof.

SUBDIVISION 4

KEYSTONE WATER WORKS AND ELECTRIC CORPORATION

CLASS A STOCK WITHOUT PAR VALUE

(a) C. F. Boake, Harold E. Aul, N. P. Zech, Frederick A. McCord and Frank S. Townsend, constituting and acting as a Committee (hereinafter sometimes called the "Keystone Class A Stockholders' Committee") under a deposit agreement dated August 1, 1930 (hereinafter sometimes called the "Keystone Class A Stockholders' Agreement"), between said Committee and holders of Class A Stock without par value (hereinafter referred to as "Keystone Class A Stock"), of Keystone Water Works and Electric Corporation, have approved and adopted this Plan and Agreement in the exercise of the powers conferred upon said Committee by the Keystone Class A Stockholders' Agreement. Copies of this Plan and Agreement have been or will be filed with Foreman-State Trust and Savings Bank, Chicago, Illinois, the Depositary under the Keystone Class A Stockholders' Agreement, and notice of such approval, adoption and filing will be given by said Committee in accordance with the provisions of said Keystone Class A Stockholders' Agreement, by the mailing of such notice to each of the Depositors under said agreement. Such filing of such copies of this Plan and Agreement shall be deemed to be and shall be sufficient and conclusive evidence of notice to the Depositors under said agreement of the approval and adoption of this Plan and Agreement by said Committee.

(b) Any Depositor under said Keystone Class A Stockholders' Agreement may, in accordance with the provisions thereof, within ten (10) days after the placing of such notice in the United States mails in the City of Chicago, Illinois, file with the Depositary under said Keystone Class A Stockholders' Agreement, a notice, in writing, that such Depositor dissents from this Plan and Agreement, and may withdraw and have delivered to him a stock certificate or stock certificates representing the number of shares of said stock called for by the certificates of deposit then held by such Depositor, or such other evidence of interest in such stock as said Committee, in its unlimited discretion, may determine, or anything then held by said Depositary in lieu of the deposited shares called for by such certificate or certificates of deposit upon paying to the said Depositary for

the account of said Committee, or assume in any such manner as may be fixed by said Committee, such sum as said Committee shall, in its discretion, determine as a fair proportion of the expenses, obligations and liabilities of said Committee and said Depositary, such sum, however, to be exclusive of any taxes payable in respect of any transfer or assignment of any of the deposited shares to said Committee by said Depositor or otherwise (which taxes shall, in all cases, be paid by such Depositor), and in no event to exceed Two Dollars ($2) per share of such Class A Stock represented by the certificate or certificates issued to such Depositor surrendering his certificate or certificates on such withdrawal. No holder of any certificate of deposit issued under the Keystone Class A Stockholders' Agreement, who shall withdraw therefrom in the manner authorized therein, shall be entitled to any rights or benefits under this Plan and Agreement. The holders of certificates of deposit issued under the Keystone Class A Stockholders' Agreement, who shall not withdraw therefrom in the manner authorized therein, shall be conclusively and finally deemed to have irrevocably waived the right of withdrawal thereby given to them, and to have assented to this Plan and Agreement, whether they shall have received actual notice thereof or not, or whether they shall have expressly dissented therefrom or consented thereto, and shall be irrevocably bound and concluded by the same. Holders of such certificates of deposit, who shall not exercise said right of withdrawal, and shall become bound by this Plan and Agreement, will be entitled to the benefits hereof without the issue of any new certificates of deposit.

(c) Holders of Keystone Class A Stock, who have not heretofore deposited their said Class A Stock under the Keystone Class A Stockholders' Agreement, may become entitled to the benefits of this Plan and Agreement by depositing their said stock under the Keystone Class A Stockholders' Agreement, with Foreman-State Trust and Savings Bank, Chicago, Illinois, the Depositary under said agreement, *before 3:00 P. M. on May 1, 1931,* or on such later date as the Reorganization Committee may determine, as hereinafter provided. Such holders shall upon such deposit of their stock duly assigned in blank and bearing all necessary stamps, and by the acceptance of any such certificate of deposit, be deemed to have assented to this Plan and Agreement and to have waived any and all right of withdrawal given by the Keystone Class A Stockholders' Agreement.

(d) The Keystone Class A Stock represented by certificates of deposit issued under the Keystone Class A Stockholders' Agreement, the holders of which shall not have withdrawn, as in paragraph (b) of this Subdivision 4 provided, and the Keystone Class A Stock deposited as in the foregoing paragraph (c) hereof provided, shall be and continue to be held by the Depositary under said agreement, but shall be subject, nevertheless, to all of the terms and provisions of this Plan and Agreement. Such Class A Stock shall, as and when the Plan shall have been declared operative, be transferred and assigned by the Keystone Class A Stockholders' Committee, as shall be directed by the Reorganization Committee for the purposes of the consummation of this Plan. The rights of all holders of certificates of deposit becoming bound by this Plan and Agreement in any manner herein provided shall be only such as are conferred by this Plan and Agreement, and shall be subject to compliance with such terms as this Plan and Agreement may impose as conditions of participation in the benefits hereof.

SUBDIVISION 5

NORTH AMERICAN WATER WORKS AND ELECTRIC CORPORATION

TEN YEAR SIX PER CENT CONVERTIBLE SECURED GOLD BONDS, SERIES A

(a) N. P. Zech, Harold E. Aul, Erno B. Pletcher, James G. Fisher, A. V. Howell, Otto Kaspar, and C. F. Boake, constituting and acting as a Committee (hereinafter sometimes called the "North American Bondholders' Committee") under a deposit agreement dated August 1, 1930 (hereinafter sometimes called the "North American Bondholders' Agreement"), between said Committee and holders of Ten Year Six Per Cent Convertible Secured Gold Bonds, Series A (sometimes hereinafter called "North American Bonds"), of North American Water Works and Electric Corporation, have approved and adopted this Plan and Agreement in the exercise of the powers conferred upon said Committee by North American Bondholders' Agreement. A copy of this Plan and Agreement has been or will be filed by the North American Bondholders' Committee with Foreman-State Trust and Savings Bank, Chicago, Illinois, and City Bank Farmers Trust Company, New York, New York, respectively the Depositary and Sub-Depositary under the North American Bondholders' Agreement, and notice of the fact of such approval, adoption and filing of this Plan and Agreement will be given by the North American Bondholders' Committee in accordance with the provisions of said North American Bondholders' Agreement, by the mailing of such notice to each of the Depositors under said North American Bondholders' Agreement, and the mailing of such notice shall be deemed to be and shall be sufficient and conclusive evidence of notice to such Depositors of the approval and adoption of this Plan and Agreement by said Committee.

(b) Any Depositor under said North American Bondholders' Agreement may within ten (10) days after the placing of such notice in the United States mails in the City of Chicago, Illinois, file with the Depositary under said North American Bondholders' Agreement a notice, in writing, that such Depositor dissents from this Plan and Agreement, and may withdraw bonds in the aggregate amount represented by the certificate or certificates of deposit then held by such Depositor, or anything then held by said Depositary under said agreement in lieu thereof, upon surrendering his certificate or certificates of deposit to said Depositary and paying to said Depositary for the account of said Committee, or assume in such manner as may be fixed by said Committee, such sum as said Committee shall, in its discretion, determine as a fair proportion of the expenses, obligations and liabilities of said Committee and said Depositary, such sum, however, in no event to exceed five per cent (5%) of the face amount of the bonds represented by the certificate or certificates issued to such Depositor and so surrendered. Holders of said certificates of deposit who shall not exercise said right of withdrawal and who shall become bound by this Plan and Agreement will be entitled to the benefits hereof without the issue of new certificates of deposit.

Holders of North American Bonds, who have not heretofore deposited their nder the North American Bondholders' Agreement, may become entitled to of this Plan and Agreement by depositing their said bonds and unpaid coupons payable on or after November 1, 1930, under the North American ' Agreement, with Foreman-State Trust and Savings Bank, Chicago, Illinois, Bank Farmers Trust Company, New York, New York, respectively Deposi-)-Depositary under said agreement, *before 3:00 P. M. on May 1, 1931,* or on te as the Reorganization Committee may determine, as hereinafter provided. shall upon such deposit receive in respect of the bonds so deposited a certifi-ait issued under said agreement, and by the acceptance of such certificate of be deemed to have assented to this Plan and Agreement, and to have waived ight of withdrawal given by the North American Bondholders' Agreement.

North American Bonds and unpaid appurtenant coupons payable on or after 1930, represented by certificates of deposit issued under the North Ameri-ders' Agreement, the holders of which shall not have withdrawn, as in b) of this Subdivision 5 provided, shall be or continue to be held by the or Sub-Depositary under said agreement, but shall be subject, nevertheless, rms and provisions of this Plan and Agreement. Such bonds and coupons when the Plan shall have been declared operative, be transferred and as-ne North American Bondholders' Committee, as shall be directed by the on Committee for the purposes of the consummation of this Plan. The rights rs of certificates of deposit becoming bound by this Plan and Agreement in herein provided shall be only such as are conferred by this Plan and Agree-nall be subject to compliance with such terms as this Plan and Agreement as conditions of participation in the benefits hereof.

SUBDIVISION 6

NORTH AMERICAN WATER WORKS AND ELECTRIC CORPORATION
$7 CUMULATIVE PREFERRED STOCK
WITHOUT PAR VALUE

Certain holders of $7 Cumulative Preferred Stock without par value (herein-ed to as "North American Preferred Stock") of North American Water Electric Corporation, have expressed approval of this Plan and Agreement, this Plan and Agreement will be given by the Reorganization Committee to ecord of the North American Preferred Stock by mailing to each holder of hown by the stock transfer records, a notice of the formulation of this Plan ent and a brief statement of the terms thereof relating to his stock, at such such form as may be approved by the Reorganization Committee.

Any holder of North American Preferred Stock may, in order to obtain the is Plan and Agreement, deposit the certificates for his stock properly en-ank, bearing necessary stamps, with any of the Depositaries under this on Agreement, and receive from such Depositary a certificate of deposit

therefor, in such form as may be authorized or approved by the Reorganization Committee, and such holder of such Preferred Stock, upon such deposit of his stock certificates, shall be conclusively and finally deemed for all purposes to have assented to this Plan and Agreement, and to all the terms and provisions thereof, and shall become bound thereby.

(c) All deposits of North American Preferred Stock, in order to obtain the rights and benefits under this Reorganization Agreement, must be made with one of the Depositaries under this Reorganization Agreement *before 3:00 P. M. on May 1, 1931,* or on such later date as the Reorganization Committee may determine, as hereinafter provided. Such stock so deposited shall, as and when the Plan shall have been declared operative, be delivered and transferred as shall be directed by the Reorganization Committee for the purposes of the consummation of this Plan. The rights of all holders of certificates of deposit becoming bound by this Plan and Agreement, in any manner herein provided, shall be only such as are conferred by this Plan and Agreement, and shall be subject to compliance with such terms as this Plan and Agreement may impose as conditions of participation in the benefits hereof.

SUBDIVISION 7

NORTH AMERICAN WATER WORKS AND ELECTRIC CORPORATION

CLASS A COMMON STOCK WITHOUT PAR VALUE

(a) C. F. Boake, Harold E. Aul, Clyde H. Andrews, J. R. Kimbark, W. E. Chambers and Frederick Y. Toy, constituting and acting as a Committee (hereinafter sometimes called the "North American Class A Stockholders' Committee") under a deposit agreement dated August 1, 1930 (hereinafter sometimes called the "North American Class A Stockholders' Agreement"), between said Committee and holders of Class A Common Stock without par value (hereinafter referred to as "North American Class A Stock"), of North American Water Works and Electric Corporation, have approved and adopted this Plan and Agreement in the exercise of the powers conferred upon said Committee by the North American Class A Stockholders' Agreement. Copies of this Plan and Agreement have been or will be filed with Foreman-State Trust and Savings Bank, Chicago, Illinois, the Depositary under the North American Class A Stockholders' Agreement, and notice of such approval, adoption and filing will be given by said Committee in accordance with the provisions of said North American Class A Stockholders' Agreement, by the mailing of such notice to each of the Depositors under said agreement. Such filing of such copies of this Plan and Agreement shall be deemed to be and shall be sufficient and conclusive evidence of notice to the Depositors under said agreement of the approval and adoption of this Plan and Agreement by said Committee.

(b) Any Depositor under said North American Class A Stockholders' Agreement may, in accordance with the provisions thereof, within ten (10) days after the placing of such notice in the United States mails in the City of Chicago, Illinois, file with the De-

positary under said North American Class A Stockholders' Agreement a notice, in writing, that such Depositor dissents from this Plan and Agreement, and may withdraw and have delivered to him a stock certificate or stock certificates representing the number of shares of said stock called for by the certificates of deposit then held by such Depositor, or such other evidence of interest in such stock as said Committee, in its unlimited discretion, may determine, or anything then held by said Depositary in lieu of the deposited shares called for by such certificate or certificates of deposit upon paying to the said Depositary for the account of said Committee, or assume in any such manner as may be fixed by said Committee, such sum as said Committee shall, in its discretion, determine as a fair proportion of the expenses, obligations and liabilities of said Committee and said Depositary, such sum, however, to be exclusive of any taxes payable in respect of any transfer or assignment of any of the deposited shares to said Committee by said Depositor or otherwise (which taxes shall, in all cases, be paid by such Depositor), and in no event to exceed Two Dollars ($2) per share, of such Class A Stock represented by the certificate or certificates issued to such Depositor surrendering his certificate or certificates of such withdrawal. No holder of any certificate of deposit issued under the North American Class A Stockholders' Agreement, who shall withdraw therefrom in the manner authorized therein, shall be entitled to any rights or benefits under this Plan and Agreement. The holders of certificates of deposit issued under the North American Class A Stockholders' Agreement, who shall not withdraw therefrom in the manner authorized therein, shall be conclusively and finally deemed to have irrevocably waived the right of withdrawal thereby given to them, and to have assented to this Plan and Agreement, whether they shall have received actual notice thereof or not, or whether they shall have expressly dissented therefrom or consented thereto, and shall be irrevocably bound and concluded by the same. Holders of such certificates of deposit, who shall not exercise said right of withdrawal, and shall become bound by this Plan and Agreement, will be entitled to the benefits hereof without the issue of any new certificates of deposit.

(c) Holders of North American Class A Stock, who have not heretofore deposited their said Class A Stock under the North American Class A Stockholders' Agreement, may become entitled to the benefits of this Plan and Agreement by depositing their said stock under the North American Class A Stockholders' Agreement, with Foreman-State Trust and Savings Bank, Chicago, Illinois, the Depositary under said agreement, *before 3:00 P. M. on May 1, 1931,* or on such later date as the Reorganization Committee may determine, as hereinafter provided. Such holders shall upon such deposit of their stock duly assigned in blank and bearing all necessary stamps, and by the acceptance of any such certificate of deposit, be deemed to have assented to this Plan and Agreement and to have waived any and all right of withdrawal given by the North American Class A Stockholders' Agreement.

(d) The North American Class A Stock represented by certificates of deposit issued under the North American Class A Stockholders' Agreement, the holders of which shall not have withdrawn, as in paragraph (b) of this Subdivision 7 provided, and the North American Class A Stock deposited as in the foregoing paragraph (c) hereof provided, shall be and continue to be held by the Depositary under said agreement, but shall

be subject, nevertheless, to all of the terms and provisions of this Plan and Agreement. Such Class A Stock shall, as and when the Plan shall have been declared operative, be transferred and assigned by the North American Class A Stockholders' Committee, as shall be directed by the Reorganization Committee for the purpose of the consummation of this Plan. The rights of all holders of certificates of deposit becoming bound by this Plan and Agreement in any manner herein provided shall be only such as are conferred by this Plan and Agreement, and shall be subject to compliance with such terms as this Plan and Agreement may impose as conditions of participation in the benefits hereof.

SUBDIVISION 8

ATLANTIC PUBLIC SERVICE ASSOCIATES, INC.
(formerly named Atlantic Public Service Corporation)

FIRST LIEN AND SECURED 5½% GOLD BONDS, SERIES A

(a) James T. Woodward, Howard K. Kirk, Gerald W. Peck, Charles A. Coolidge, Jr., and A. M. Massie, constituting and acting as a Committee (hereinafter sometimes called the "Atlantic First Lien Committee") under a deposit agreement dated August 1, 1930 (hereinafter called the "Atlantic First Lien Bondholders' Agreement"), between said Committee and holders of First Lien and Secured 5½% Gold Bonds, Series A (hereinafter in this Subdivision sometimes called the "Atlantic First Lien Bonds"), of Atlantic Public Service Corporation (now named Atlantic Public Service Associates, Inc.), have approved and adopted this Plan and Agreement in the exercise of the powers conferred upon said Committee by the Atlantic First Lien Bondholders' Agreement. A copy of this Plan and Agreement has been or will be lodged by the Atlantic First Lien Bondholders' Committee with The Bank of America National Association, New York, New York, and Chicago Trust Company, Chicago, Illinois, respectively the Depositary and Sub-Depositary under the Atlantic First Lien Bondholders' Agreement, and notice of the fact of such approval, adoption and filing of this Plan and Agreement will be given by the Atlantic First Lien Bondholders' Committee in accordance with the provisions of said Atlantic First Lien Bondholders' Agreement, by publication thereof not less than once in each of two (2) successive calendar weeks in one (1) newspaper of general circulation published in the Borough of Manhattan, City of New York, New York, and in one (1) newspaper of general circulation published in the City of Chicago, Illinois, and in one (1) newspaper of general circulation published in the City of Boston, Massachusetts, and said Committee will cause copies thereof to be mailed to the several Depositors under said Atlantic First Lien Bondholders' Agreement, at their respective addresses as the same may appear upon the records of the Depositary or Sub-Depositary under said agreement. Such publication and mailing of said notice shall be taken and considered conclusively and for all purposes as if personally served on every Depositor under said agreement, as of the date of the first publication thereof, and shall be deemed conclusive notice of the fact of the adoption, approval and filing of this Plan and Agreement by said Committee.

(b) Any holder of a certificate of deposit issued under the Atlantic First Lien Bondholders' Agreement may, in accordance with the provisions thereof, within twenty (20) days from the first publication of the notice of approval, adoption and filing of this Plan and Agreement by said Committee, withdraw from said agreement upon filing with the Depositary or Sub-Depositary under said agreement written notice of his dissent therefrom, and upon surrendering to such Depositary or Sub-Depositary issuing the same the certificate of deposit held by him properly endorsed in blank, and pay any and all transfer taxes required by law, and his fair share, as determined by said Committee, of the compensation, disbursements and expenses of said Committee, and pay or assume in such manner as such Committee shall deem satisfactory, his fair share, as determined by said Committee, of the obligations and liabilities incurred by said Committee. No holder of any certificate of deposit issued under the Atlantic First Lien Bondholders' Agreement, who shall withdraw therefrom in the manner authorized therein, shall be entitled to any rights or benefits under this Plan and Agreement. Holders of certificates of deposit issued under the Atlantic First Lien Bondholders' Agreement, who shall not withdraw therefrom in the manner authorized therein within said period of twenty (20) days, shall be conclusively presumed to have irrevocably waived the right of withdrawal thereby given to them, and to have assented to this Plan and Agreement and the terms thereof, whether or not they shall have received actual notice thereof, and shall be irrevocably bound by the same. Holders of such certificates of deposit, who shall not exercise said right of withdrawal, and who shall become bound by this Plan and Agreement, will be entitled to the benefits hereof without the issue of new certificates of deposit.

(c) Holders of Atlantic First Lien Bonds, who have not heretofore deposited their said bonds under the Atlantic First Lien Bondholders' Agreement, may become entitled to the benefits of this Plan and Agreement by depositing their said bonds and unpaid appurtenant coupons payable on or after August 1, 1930 under the Atlantic First Lien Bondholders' Agreement, with The Bank of America National Association, New York, New York, or with Chicago Trust Company, Chicago, Illinois, respectively Depositary and Sub-Depositary under said agreement, *before 3:00 P. M. on May 1, 1931,* or on such later date as the Reorganization Committee may determine, as hereinafter provided. Such holders shall upon such deposit receive in respect of the bonds so deposited, certificates of deposit issued under said Atlantic First Lien Bondholders' Agreement, and by the acceptance of any such certificate of deposit shall be deemed to have assented to this Plan and Agreement and to have waived any and all right of withdrawal given by the Atlantic First Lien Bondholders' Agreement.

(d) The Atlantic First Lien Bonds and unpaid appurtenant coupons payable on or after August 1, 1930, represented by certificates of deposit issued under the Atlantic First Lien Bondholders' Agreement, the holders of which shall not have withdrawn as in paragraph (b) of this Subdivision 8 provided, shall be or continue to be held by the Depositary and/or Sub-Depositary under said agreement, and the Atlantic First Lien Bonds and such coupons deposited as in the foregoing paragraph (c) provided shall be or continue to be held by the Depositary or Sub-Depositary under said agreement, but

shall be subject, nevertheless, to all the terms and provisions of this Plan and Agreement. Such bonds and coupons shall, as and when the Plan shall have been declared operative, be transferred and assigned by the Atlantic First Lien Bondholders' Committee, as shall be directed by the Reorganization Committee for the purposes of the consummation of the Plan. The rights of all holders of certificates of deposit becoming bound by this Plan and Agreement, in any manner herein provided, shall be only such as are conferred by this Plan and Agreement, and shall be subject to compliance with such terms as this Plan and Agreement may impose as conditions of participation in the benefits hereof.

SUBDIVISION 9

ATLANTIC PUBLIC SERVICE ASSOCIATES, INC.
(formerly named Atlantic Public Service Corporation)

FIFTEEN-YEAR SIX PER CENTUM GOLD DEBENTURES

(a) Gerald W. Peck, Frederick A. McCord, Harold E. Aul, Erno B. Pletcher, Donald E. Nichols, N. P. Zech and A. V. Howell, constituting and acting as a Committee (hereinafter sometimes called the "Atlantic Debentureholders' Committee") under a deposit agreement dated August 1, 1930 (hereinafter sometimes called the "Atlantic Debentureholders' Agreement"), between said Committee and holders of Fifteen-Year Six Per Centum Gold Debentures (sometimes hereinafter called "Atlantic Debentures"), of Atlantic Public Service Corporation (now named Atlantic Public Service Associates, Inc.) have approved and adopted this Plan and Agreement in the exercise of the powers conferred upon said Committee by Atlantic Debentureholders' Agreement. A copy of this Plan and Agreement has been or will be filed by the Atlantic Debentureholders' Committee with Chicago Trust Company, Chicago, Illinois, and Hibernia Trust Company, New York, New York, respectively the Depositary and Sub-Depositary under the Atlantic Debentureholders' Agreement, and notice of the fact of such approval, adoption and filing of this Plan and Agreement will be given by the Atlantic Debentureholders' Committee in accordance with the provisions of said Atlantic Debentureholders' Agreement, by the mailing of such notice to each of the Depositors under said Atlantic Debentureholders' Agreement, and the mailing of such notice shall be deemed to be and shall be sufficient and conclusive evidence of notice to such Depositors of the approval and adoption of this Plan and Agreement by said Committee.

(b) Any Depositor under said Atlantic Debentureholders' Agreement may within ten (10) days after the placing of such notice in the United States mails in the City of Chicago, Illinois, file with the Depositary under said Atlantic Debentureholders' Agreement, a notice, in writing, that such Depositor dissents from this Plan and Agreement, and may withdraw debentures in the aggregate amount represented by the certificate or certificates of deposit then held by such Depositor, or anything then held by said Depositary under said agreement in lieu thereof, upon surrendering his certificate or certificates of deposit to said Depositary and paying to said Depositary for the account of said Committee, or assume in such manner as may be fixed by said Committee,

such sum as said Committee shall, in its discretion, determine as a fair proportion of the expenses, obligations and liabilities of said Committee and said Depositary, such sum, however, in no event to exceed five per cent (5%) of the face amount of the debentures represented by the certificate or certificates issued to such Depositor and so surrendered. Holders of said certificates of deposit who shall not exercise said right of withdrawal and who shall become bound by this Plan and Agreement will be entitled to the benefits hereof without the issue of new certificates of deposit.

(c) Holders of Atlantic Debentures, who have not heretofore deposited their said debentures under the Atlantic Debentureholders' Agreement, may become entitled to the benefits of this Plan and Agreement by depositing their said debentures and unpaid appurtenant coupons payable on or after August 1, 1930, under the Atlantic Debentureholders' Agreement, with Chicago Trust Company, Chicago, Illinois, or with Hibernia Trust Company, New York, New York, respectively Depositary and Sub-Depositary under said agreement *before 3:00 P. M. on May 1, 1931,* or on such later date as the Reorganization Committee may determine, as hereinafter provided. Such holder shall upon such deposit receive in respect of the debentures so deposited a certificate of deposit issued under said agreement, and by the acceptance of such certificate of deposit shall be deemed to have assented to this Plan and Agreement, and to have waived any and all right of withdrawal given by the Atlantic Debentureholders' Agreement.

(d) Atlantic Debentures and unpaid appurtenant coupons payable on or after August 1, 1930, represented by certificates of deposit issued under the Atlantic Debentureholders' Agreement, the holders of which shall not have withdrawn, as in paragraph (b) of this Subdivision 9 provided, shall be or continue to be held by the Depositary or Sub-Depositary under said Agreement, but shall be subject, nevertheless, to all the terms and provisions of this Plan and Agreement. Such debentures and coupons shall, as and when the Plan shall have been declared operative, be transferred and assigned by the Atlantic Debentureholders' Committee as shall be directed by the Reorganization Committee for the purposes of the consummation of this Plan. The rights of all holders of certificates of deposit becoming bound by this Plan and Agreement in any manner herein provided shall be only such as are conferred by this Plan and Agreement, and shall be subject to compliance with such terms as this Plan and Agreement may impose as conditions of participation in the benefits hereof.

SUBDIVISION 10

ATLANTIC PUBLIC SERVICE ASSOCIATES, INC.
(formerly named Atlantic Public Service Corporation)

$7 PREFERRED STOCK
WITHOUT PAR VALUE

(a) Certain holders of $7 Preferred Stock without par value (hereinafter referred to as "Atlantic Preferred Stock") of Atlantic Public Service Associates, Inc. (formerly named Atlantic Public Service Corporation) have expressed approval of this Plan and Agreement, and notice of this Plan and Agreement will be given by the Reorganization Committee to holders of record of the Atlantic Preferred Stock by mailing to each holder of record, as shown by the stock transfer records, a notice of the formulation of this Plan and Agreement and a brief statement of the terms thereof relating to his stock, at such time and in such form as may be approved by the Reorganization Committee.

(b) Any holder of Atlantic Preferred Stock may, in order to obtain the benefit of this Plan and Agreement, deposit the certificates for his stock properly endorsed in blank, bearing necessary stamps, with any of the Depositaries under this Reorganization Agreement, and receive from such Depositary a certificate of deposit therefor, in such form as may be authorized or approved by the Reorganization Committee; and such holder of such Preferred Stock, upon such deposit of his stock certificates, shall be conclusively and finally deemed for all purposes to have assented to this Plan and Agreement, and to all the terms and provisions thereof, and shall become bound thereby.

(c) All deposits of Atlantic Preferred Stock, in order to obtain the rights and benefits under this Reorganization Agreement, must be made with one of the Depositaries under this Reorganization Agreement *before 3:00 P. M. on May 1, 1931,* or on such later date as the Reorganization Committee may determine, as hereinafter provided. Such stock so deposited shall, as and when the Plan shall have been declared operative, be delivered and transferred as shall be directed by the Reorganization Committee for the purposes of the consummation of this Plan. The rights of all holders of certificates of deposit becoming bound by this Plan and Agreement, in any manner herein provided, shall be only such as are conferred by this Plan and Agreement, and shall be subject to compliance with such terms as this Plan and Agreement may impose as conditions of participation in the benefits hereof.

SUBDIVISION 11

ATLANTIC PUBLIC UTILITIES, INC.

SECURED CONVERTIBLE ONE-YEAR GOLD BONDS
SERIES A

(a) Gerald W. Peck, Clyde H. Andrews, A. V. Howell and Harold E. Aul, constituting and acting as a Committee (hereinafter sometimes called the "Atlantic Utilities Bondholders' Committee") under a deposit agreement dated July 10, 1930 (hereinafter sometimes called the "Atlantic Utilities Bondholders' Agreement"), between said Committee and holders of Secured Convertible One Year Gold Bonds, Series A (sometimes hereinafter called "Atlantic Utilities Bonds"), of Atlantic Public Utilities, Inc., have approved and adopted this Plan and Agreement in the exercise of the powers conferred upon said Committee by Atlantic Utilities Bondholders' Agreement. A copy of this Plan and Agreement has been or will be filed by the Atlantic Utilities Bondholders' Committee with Chicago Trust Company, Chicago, Illinois, the Depositary under the Atlantic Utilities Bondholders' Agreement, and notice of the fact of such approval, adoption and filing of this Plan and Agreement will be given by the Atlantic Utilities Bondholders' Committee in accordance with the provisions of said Atlantic Utilities Bondholders' Agreement, by the mailing of such notice to each of the Depositors under said Atlantic Utilities Bondholders' Agreement, and the mailing of such notice shall be deemed to be and shall be sufficient and conclusive evidence of notice to such Depositors of the approval and adoption of this Plan and Agreement by said Committee.

(b) Any Depositor under said Atlantic Utilities Bondholders' Agreement may within fifteen (15) days after the placing of such notice in the United States mails in the City of Chicago, Illinois, file with the Depositary under said Atlantic Utilities Bondholders' Agreement, a notice in writing, that such Depositor dissents from this Plan and Agreement, and may withdraw bonds in the aggregate amount represented by the certificate or certificates of deposit then held by such Depositor, or anything then held by said Depositary under said agreement in lieu thereof, upon surrendering his certificate or certificates of deposit to said Depositary and paying to said Depositary for the account of said Committee, or assume in such manner as may be fixed by said Committee, such sum as said Committee shall, in its discretion, determine as a fair proportion of the expenses, obligations and liabilities of said Committee and said Depositary, such sum, however, in no event to exceed five per cent (5%) of the face amount of the bonds represented by the certificate or certificates issued to such Depositor and so surrendered. Holders of said certificates of deposit who shall not exercise said right of withdrawal and who shall become bound by this Plan and Agreement will be entitled to the benefits hereof without the issue of new certificates of deposit.

(c) Holders of Atlantic Utilities Bonds, who have not heretofore deposited their said bonds under the Atlantic Utilities Bondholders' Agreement, may become entitled to the benefits of this Plan and Agreement by depositing their said bonds and unpaid

appurtenant coupons payable on or after August 1, 1930, under the Atlantic Utilities Bondholders' Agreement, with Chicago Trust Company, Chicago, Illinois, Depositary under said agreement, *before 3:00 P. M. on May 1, 1931,* or on such later date as the Reorganization Committee may determine, as hereinafter provided. Such holder shall upon such deposit receive in respect of the bonds so deposited a certificate of deposit issued under said agreement, and by the acceptance of such certificate of deposit shall be deemed to have assented to this Plan and Agreement, and to have waived any and all right of withdrawal given by the Atlantic Utilities Bondholders' Agreement.

(d) Atlantic Utilities Bonds and unpaid appurtenant coupons payable on or after August 1, 1930, represented by certificates of deposit issued under the Atlantic Utilities Bondholders' Agreement, the holders of which shall not have withdrawn, as in paragraph (b) of this Subdivision 11 provided, shall be or continue to be held by the Depositary under said agreement, but shall be subject, nevertheless, to all the terms and provisions of this Plan and Agreement. Such bonds and coupons shall, as and when the Plan shall have been declared operative, be transferred and assigned by the Atlantic Utilities Bondholders' Committee, as shall be directed by the Reorganization Committee for the purposes of the consummation of this Plan. The rights of all holders of certificates of deposit becoming bound by this Plan and Agreement in any manner herein provided shall be only such as are conferred by this Plan and Agreement, and shall be subject to compliance with such terms as this Plan and Agreement may impose as conditions of participation in the benefits hereof.

SUBDIVISION 12

ATLANTIC PUBLIC UTILITIES, INC.

6% NOTES DUE 1931

(a) Certain holders of 6% Notes due 1931 (hereinafter referred to as "Atlantic Utilities Notes") of Atlantic Public Utilities, Inc. have expressed approval of this Plan and Agreement, and notice of this Plan and Agreement will be given by the Reorganization Committee to the holders of such notes (as far as reasonably ascertainable by the Reorganization Committee) by mailing to each holder thus ascertained or by publication, of a notice of the formulation of this Plan and Agreement and a brief statement of the terms thereof relating to such notes at such times and in such form as may be approved by the Reorganization Committee.

(b) Any holder of Atlantic Utilities Notes may, in order to obtain the benefit of this Plan and Agreement, deposit such notes in negotiable form with any of the Depositaries under this Reorganization Agreement, and receive from such Depositary a certificate of deposit therefor, in such form as may be authorized or approved by the Reorganization Committee, and such holder of such Atlantic Utilities Notes, upon such deposit of such notes shall be conclusively and finally deemed for all purposes to have assented to this Plan and Agreement, and to all the terms and provisions thereof, and shall become bound thereby.

(c) All deposits of Atlantic Utilities Notes, in order to obtain the rights and benefits under this Reorganization Agreement, must be made with one of the Depositaries under this Reorganization Agreement *before 3:00 P. M. on May 1, 1931,* or on such later date as the Reorganization Committee may determine, as hereinafter provided. Such notes so deposited shall, as and when the Plan shall have been declared operative, be delivered and transferred as shall be directed by the Reorganization Committee for the purposes of the consummation of this Plan. The rights of all holders of certificates of deposit becoming bound by this Plan and Agreement, in any manner herein provided, shall be only such as are conferred by this Plan and Agreement, and shall be subject to compliance with such terms as this Plan and Agreement may impose as conditions of participation in the benefits hereof.

SUBDIVISION 13

ATLANTIC PUBLIC UTILITIES, INC.

$7 PREFERRED STOCK
WITHOUT PAR VALUE

(a) Certain holders of $7 Preferred Stock without par value (hereinafter referred to as "Atlantic Utilities Preferred Stock") of Atlantic Public Utilities, Inc. have expressed approval of this Plan and Agreement, and notice of this Plan and Agreement will be given by the Reorganization Committee to holders of record of the Atlantic Utilities Preferred Stock by mailing to each holder of record, as shown by the stock transfer records, a notice of the formulation of this Plan and Agreement and a brief statement of the terms thereof relating to his stock, at such times and in such form as may be approved by the Reorganization Committee.

(b) Any holder of Atlantic Utilities Preferred Stock may, in order to obtain the benefit of this Plan and Agreement, deposit the certificates for his stock properly endorsed in blank, bearing necessary stamps, with any of the Depositaries under this Reorganization Agreement, and receive from such Depositary a certificate of deposit therefor, in such form as may be authorized or approved by the Reorganization Committee; and such holder of such Preferred Stock, upon such deposit of his stock certificates, shall be conclusively and finally deemed for all purposes to have assented to this Plan and Agreement, and to all the terms and provisions thereof, and shall become bound thereby.

(c) All deposits of Atlantic Utilities Preferred Stock, in order to obtain the rights and benefits under this Reorganization Agreement, must be made with one of the Depositaries under this Reorganization Agreement *before 3:00 P. M. on May 1, 1931,* or on such later date as the Reorganization Committee may determine, as hereinafter provided. Such stock so deposited shall, as and when the Plan shall have been declared operative, be delivered and transferred as shall be directed by the Reorganization Committee for the purposes of the consummation of this Plan. The rights of all holders of certificates of deposit becoming bound by this Plan and Agreement, in any manner herein provided, shall

be only such as are conferred by this Plan and Agreement, and shall be subject to compliance with such terms as this Plan and Agreement may impose as conditions of participation in the benefits hereof.

SUBDIVISION 14

COLLATERAL NOTES OF ATLANTIC PUBLIC UTILITIES, INC. AND ITS SUBSIDIARY COMPANIES, AND THE COLLATERAL THEREFOR

(a) There were outstanding as of February 28, 1931, and held and owned by Eastern States Public Service Corporation, United American Utilities, Inc. and A. E. Fitkin, certain interest-bearing demand notes of Atlantic Public Utilities, Inc. and of various of its subsidiary and affiliated companies, the amounts owing to said parties thereon being scheduled for payment under the Plan upon consummation thereof.

(b) Said Eastern States Public Service Corporation, United American Utilities, Inc., and A. E. Fitkin shall evidence their assent to the Plan and Agreement and agree to be bound thereby and to deliver all of said notes and all of the collateral therefor against payment of said amounts owing to said parties thereon when requested so to do by the Reorganization Committee and shall further agree to take or permit to be taken such steps or proceedings with respect to such notes and collateral as may be deemed necessary by the Reorganization Committee to consummate the Plan and Agreement.

Fourth: Holders of securities, obligations or claims who do not become parties hereto in the manner herein provided, and within the period fixed therefor, will not be entitled to deposit their securities, obligations, or claims, or to become parties to this Agreement, or to share in the benefits of this Plan and Agreement, and shall acquire no rights hereunder, or under the Plan, except upon obtaining the express written consent of the Reorganization Committee, and the Reorganization Committee shall have full power in its discretion, from time to time, and in general or in particular instances, and upon such general or special terms and conditions as it may determine, to withhold or give such consent, to extend the time for making any deposits under this Plan and Agreement of any class of securities, obligations or claims or of any securities, obligations or claims of any class, to admit as parties to this Agreement and to participation in this Plan and Agreement, as Depositors hereunder, the holders of any securities, obligations or claims which may be dealt with or affected by the Plan, and to enter into agreements for that purpose and to that effect or otherwise with any committee representing any securities, obligations or claims of any class or with holders of such securities, obligations or claims, and to permit the holders thereof to become parties hereto without the actual deposit of the same; and all holders of securities, obligations or claims so becoming parties hereto shall be embraced within the term Depositors whenever used in this Agreement. The Reorganization Committee in like manner and

with like effect may, upon such terms and conditions as it may determine, assent to the deposit under any bondholders' and/or debentureholders' protective agreement mentioned in this Agreement of bonds or debentures without the interest coupons appurtenant thereto, and also may assent to the deposit thereunder of such interest coupons without the bonds or debentures to which they may appertain.

If any provision of this Plan and Agreement amounts to or involves any modification or amendment of any of the deposit agreements above mentioned, every such modification and amendment is hereby proposed by the respective committees constituted under said agreements and the filing of this Plan and Agreement with the depositary or depositaries of said respective committees shall be deemed to be a filing of every such modification and amendment and the notice to be given by said respective committees of the approval, adoption and filing of this Plan and Agreement shall be deemed to be notice of the approval, adoption and filing of every such modification and amendment; and every such modification or amendment shall become effective upon the giving of such notice.

Fifth: All Depositors, except as herein otherwise provided, or as may be otherwise determined by agreement between any Depositor and the Reorganization Committee, shall receive certificates of deposit in form to be prescribed or approved by the Reorganization Committee specifying the securities, obligations or claims deposited and the holders of such certificates shall be entitled (subject to any provisions contained in such certificates) to the rights and benefits, and only to the rights and benefits, specified in this Plan and Agreement as accruing to the holders of securities, obligations and claims of the character represented by such certificates, respectively, or granted by the Reorganization Committee pursuant to the powers conferred upon it, but only upon compliance with the terms and conditions imposed by this Plan and Agreement.

Unless otherwise determined by the Reorganization Committee generally or in particular instances, certificates of deposit shall be transferable subject to the terms and conditions of this Plan and Agreement and in such manner and on such conditions as the Reorganization Committee shall approve, and, upon such transfer, all rights of the transferor under this Plan and Agreement and in respect of the deposited securities, obligations or claims represented by the certificate of deposit transferred, and in respect of any sums paid in respect of any such securities, obligations or claims represented by such certificate of deposit, and all rights under such certificate of deposit, shall pass to the transferee, and the transferee and holder of such certificate of deposit shall, for all purposes, be substituted in place of the prior holder, subject to this Plan and Agreement. Each such certificate of deposit may be treated by the Reorganization Committee, by the respective committees herein mentioned and by the depositaries and agents of depositaries as a negotiable instrument, and the holder for the time being, or, if registered, the registered holder for the time being, may be deemed to be the absolute owner thereof and of all rights of the original Depositor of the deposited securities, obligations or claims in respect of which the same was issued, and neither the depositaries nor their respective agents nor said committees nor the Reorganization Committee shall be affected by any notice to the contrary.

Upon compliance with all the terms and conditions of this Plan and Agreement and of their certificates of deposit, Depositors shall be entitled to receive, upon the consummation of the Plan and upon surrender of their certificates of deposit in negotiable form or accompanied by transfers in blank duly executed, and properly stamped for transfer, bonds and/or stocks of the respective classes of the Parent Holding Company and/or First Holding Company (but only as and when issued and ready for delivery) and any cash to which they shall respectively be entitled pursuant to the terms and provisions of this Plan and Agreement.

All transferees of certificates of deposit, as well as the original holders of certificates of deposit, shall be embraced within the term "Depositors" whenever used herein; and the term "Depositor" or the designation "holder of a certificate of deposit," or "certificate holder" or similar designation, whenever used herein, is intended and shall be construed to include not only persons acting in their own right, but also trustees, guardians, committees, agents and all persons acting in a representative or fiduciary capacity, and those represented by or claiming under them, and partnerships, associations, stock companies and corporations. No rights under this Plan and Agreement shall accrue in respect of any securities, obligations or claims herein mentioned unless and until the same shall have been subjected to the control of the Reorganization Committee and to the operation of this Plan and Agreement as herein provided.

Sixth: Except as otherwise provided herein, all securities, obligations and claims deposited hereunder or in any manner becoming subject hereto shall be held in escrow by the respective depositaries or their agents, and title thereto shall not pass to the Reorganization Committee, but shall remain in the respective Depositors, unless and until the Reorganization Committee shall have taken title to such securities, obligations and claims as hereinafter provided. The Reorganization Committee at any time in its discretion may take title to any or all of the deposited securities, obligations and claims by filing with the committee or committees representing the securities, obligations and claims, title to which is to be taken, and/or with the depositaries with which such securities, obligations and claims shall be deposited, or their agents, a copy of a resolution of the Reorganization Committee certified by its Secretary, stating that said committee has determined to take title to the securities, obligations and claims specified in such certified resolution, and immediately upon such filing of such certified resolution, legal title to such securities, obligations and claims so specified shall forthwith pass from the respective Depositors to and vest in the Reorganization Committee, as joint tenants and not as tenants in common, and thereupon the Reorganization Committee shall be vested with the legal title to and all the rights, power and authority of absolute owner of all such securities, obligations and claims so specified.

Seventh: Each and every Depositor hereby requests the Reorganization Committee to endeavor to carry the Plan into practical operation in its entirety or in part, to such an extent and in such manner and with such additions, exceptions and modifications as the Reorganization Committee shall deem to be for the best interests of the Depositors or of the properties finally embraced in the Plan. Each and every holder of

any security, obligation or claim, or certificate of deposit therefor, in any manner by deposit thereof or otherwise assenting to this Plan and Agreement, does by such assent, for himself and not for any other of them, agree that every such security, obligation or claim shall be held in escrow by the respective depositaries or their agents, subject to the order of the Reorganization Committee, and that the Reorganization Committee at any time in its discretion may take title to any or all such securities, obligations and claims in the manner and with the effect provided in the foregoing Article Sixth. Each and every Depositor for himself and for each and every of his successors in interest, in respect of any and all of the deposited securities, obligations and claims, hereby constitutes the Reorganization Committee his true and lawful attorney and proxy irrevocable, with full power of substitution, in his name or in the name of the Reorganization Committee or otherwise, as the Reorganization Committee may determine, to do any and all acts and things which the Reorganization Committee may deem necessary or appropriate for the purpose of carrying out this Plan and Agreement in whole or in part. The Depositors respectively agree at any time and from time to time, on demand of the Reorganization Committee, to execute and deliver any and all further transfers, assignments, authorizations, powers or writings required for vesting the ownership of such securities, obligations, claims and property in the Reorganization Committee or its nominee or nominees, and also all ownership or other certificates which may be required by the laws of the United States or of any State and the regulations of the Treasury Department or any other governmental department or officer having authority, and to execute and deliver powers of attorney, authorizing the Reorganization Committee or such person or persons as may be designated by said committee for such purpose and its or their substitute or substitutes to represent the deposited securities, obligations and claims and the holders thereof in any receivership proceedings or any insolvency, bankruptcy or other legal or equitable proceedings heretofore or hereafter instituted by or against the Company or any of its subsidiary or affiliated companies or by or against any other corporation, firm or individual or in any way concerning or affecting any rights under or in respect of the deposited securities, obligations and claims or the validity thereof, and to execute and deliver any and all proofs and/or other instruments which may be required by the Reorganization Committee for proving, enforcing and collecting any of the deposited securities, obligations and claims in or in connection with any such proceedings. Without prejudice to the general power and authority herein granted, holders of securities, obligations and claims assenting in any manner to this Plan and Agreement and the Depositors hereby severally irrevocably authorize and empower the Reorganization Committee, and at its election either before or after this Plan and Agreement shall become or be declared operative as to the securities, obligations and claims as to which any rights, authority or power shall be exercised, to transfer and/or assign any and all such securities, obligations and claims or other securities, obligations or property into the name of the Reorganization Committee or into the name of its nominee or nominees; to procure or consent to any corporate action by the Company or any of its subsidiary or affiliated companies; to sign and file any written consent or instrument required or permitted by law

to be signed or filed; to demand, receive and collect all moneys that may be due and owing on or payable in respect of any deposited securities, obligations or claims or any securities, obligations or claims acquired by the Reorganization Committee pursuant to the provisions of this Plan and Agreement, for interest, principal, dividend or otherwise; to elect, or request and cause any trustee or trustees under any mortgage or trust indenture under which any such securities, obligations or claims were issued to elect to have the principal of such securities, obligations or claims become due and payable, and to revoke or withdraw such election or cause the same to be revoked or withdrawn; to request, direct or instruct any trustee or trustees under any such mortgage or trust indenture to prosecute foreclosure or other proceedings for the enforcement thereof or otherwise, or for the enforcement of any such securities, obligations or claims, or to exercise the powers, or any of them, conferred by such mortgage or trust indenture; to confirm and give to such trustee or trustees all such powers as in the judgment of the Reorganization Committee may be advantageous in carrying out the Plan; to make all such other requests, directions, instructions or demands upon any such trustee or trustees or otherwise as the Reorganization Committee may deem expedient; to remove any such trustee or to appoint a new trustee to succeed any trustee so removed or resigning or otherwise disabled from acting; to take or institute, or cause to be taken or instituted, or to become parties to, or exercise control over, all proceedings, legal or otherwise; to give such directions, execute such papers and do or cause to be done such acts as the Reorganization Committee may consider judicious to enforce any security for, or procure the payment of, any deposited securities, obligations or claims, or otherwise to protect the rights and interests of the Depositors, or in which the Depositors may be interested, or for any of the purposes of this Plan and Agreement, including the right to apply for the appointment of receivers, or the removal of receivers and the substitution of other receivers, or for the termination of any receivership and the delivery of any property to its owner; to make and file proofs of claims and to vote and act for all purposes in any receivership, insolvency, bankruptcy or other legal or equitable proceeding, heretofore or hereafter instituted by or against, or in any manner affecting the property of, the Company or any of its subsidiary or affiliated companies or any other corporation, firm or individual, and to consent to a composition in bankruptcy and to vote for such composition and to consent to the discharge of the bankrupt or to oppose such composition and discharge; to discontinue, or cause or consent to the discontinuance of, any actions or legal proceedings whether instituted by the Reorganization Committee or by others; to settle or compromise in whole or in part any litigation now or at any time existing or threatened, with full power to make any and all arrangements for decrees or orders for facilitating or hastening the course of litigation, or in any way to promote the purposes of this Plan and Agreement; to call or waive notice of, and to attend, and, either in person or by proxy, to vote at any and all meetings of bondholders or stockholders or creditors of any corporation however convened; to terminate or to seek to dissolve or modify any trust or lease or agreement, in whole or in part, to apply for the determination of the validity thereof, or to take any other steps in respect thereof or under any provision thereof; to purchase or sell at such prices as it shall see fit,

or otherwise deal in or with, or, upon such terms and conditions as it may in its discretion determine; to pay, compromise, settle or acquire any securities, obligations or indebtedness of, or claims against, the Company or any of its subsidiary or affiliated companies, or its or their receivers, or claims constituting a lien, directly or through securities, on any part of the properties of the Company or of any of its subsidiary or affiliated companies, or subject to any mortgage or trust indenture securing the payment of any deposited securities, obligations or claims, or in which the Company or any of its subsidiary or affiliated companies may have any interest, direct or indirect, and, in general, any securities, obligations, indebtedness or claims which the Reorganization Committee may deem advisable, and to use for any such purpose any securities contemplated by this Plan and Agreement and not specifically required by this Plan and Agreement to be used for other purposes, or any moneys coming into its possession or subject to its control; to compromise and adjust any claims in respect of liens prior to liens created in or by the reorganization, and for the purposes of such adjustment and settlement, to extend such liens to any property acquired in carrying out this Plan and Agreement; to enter into agreements with the holders, or any committee representing the holders, of any securities, obligations or claims for the deposit thereof under this Plan and Agreement and any other agreements which the Reorganization Committee may approve for the purpose, and in connection therewith, and as a condition of any such agreement, to provide for the exchange and/or release of any property under any mortgage, or for any other adjustments or arrangements which may be required by any such committee or any such holder as a condition of its or his approval of this Plan and Agreement, and to arrange for the payment or assumption in whole or in part of the compensation and expenses of, and advances made or indebtedness incurred by, any such committee; to have and exercise such powers in respect of all securities, obligations and claims in any manner subjected to this Plan and Agreement as it is authorized to exercise in respect of the deposited securities, obligations and claims or as it may be authorized under any agreement under which such securities, obligations and claims shall have been made subject to this Plan and Agreement; to enter into agreements for the acquisition of, and to acquire on such terms as it may see fit, any property of any kind or nature whatsoever in the judgment of the Reorganization Committee advantageous to the Parent Holding Company and/or First Holding Company or for any of the purposes of this Plan and Agreement; to sell or otherwise dispose of, or consent to or oppose the sale or other disposition of, all or any shares of stock in, or securities or obligations of, or claims against, any subsidiary or affiliated company owned by the Company and/or to sell or otherwise dispose of or consent to the sale or other disposition of any property of any kind or character owned or controlled by the Company or by any subsidiary or affiliated company, which in the judgment of the Reorganization Committee it is desirable for purposes of the reorganization to sell or otherwise dispose of or is not necessary or advisable to retain for the Parent Holding Company and/or First Holding Company or for any purpose of the reorganization, and in any such connection to make, execute and carry out or consent to any and all arrangements which in the opinion of the Reorganization Committee may be necessary or advisable, or to oppose the sale or other disposi-

tion of any such property if in its opinion the Reorganization Committee shall deem it advisable so to do; to apply for the listing of or cause to be listed upon The New York Stock Exchange or The Chicago Stock Exchange and/or elsewhere any of the certificates of deposit and/or any of the new securities contemplated by the Plan; to pay the expenses of any such application or listing and any taxes, fees or charges in connection therewith; to pay or discharge any taxes, fees or governmental charges, domestic or foreign, necessary or expedient for or in connection with the deposit, assignment or transfer under this Plan and Agreement, or in pursuance thereof, of any securities, obligations or claims, and any taxes, fees or charges imposed by any public authority wherever situated, domestic or foreign, in respect of the authorization, creation, issue or distribution of any of the new securities or otherwise in connection with the carrying out of this Plan and Agreement; from time to time and upon such terms and conditions as the Reorganization Committee may determine, to borrow, or by guaranty or by the sale of new securities to be created, or otherwise, to obtain money for any of the purposes of this Plan and Agreement, including such sums as the Reorganization Committee may deem expedient to provide for the Parent Holding Company and/or First Holding Company; to charge or pledge any deposited securities, obligations and claims, any property acquired by the Reorganization Committee pursuant to the provisions of this Plan and Agreement and/or any new securities to be issued, for the payment of any moneys borrowed or indebtedness or liability incurred, and in case of any such borrowing whether or not upon pledge, to give to the lender the promissory note or notes or other obligations of the Reorganization Committee for the sums borrowed; to direct in writing the depositary for any securities, obligations or claims to hold the securities, obligations and claims deposited with it and any other property, or any designated part thereof, as security for the repayment of any moneys advanced or to be advanced in accordance with this Agreement, in which case such securities, obligations and claims and other property shall be, and shall be held by such depositary as, security for such advance with the same effect as if they were actually deposited with the person making such advance as security for the payment thereof; to give all bonds of indemnity or other bonds, and to charge therewith the deposited securities, obligations and claims, or any other property acquired and/or to be acquired by the Reorganization Committee pursuant to the provisions of this Plan and Agreement and/or the new securities to be issued, or any part thereof; to do whatever, in the judgment of the Reorganization Committee, may be necessary to promote or to procure joint or separate sales of any property herein concerned, wherever situated; to adjourn the sale of any property or any portion or lot thereof, at its discretion; to bid or to refrain from bidding at any sale, either public or private, either in separate lots or as a whole, for any property or any part thereof, whether or not held as security for, controlled or covered by any deposited securities, obligations or claims, including or excluding any property, real or personal, and at, before or after any such sale to arrange and agree for the resale of any portion of the property which the Reorganization Committee may decide to sell rather than to retain; to elect not to take any portion of any property purchased at any such sale; to hold any property purchased by the Reorganization Committee either in its name or in the

name of its nominee or nominees, and to apply any deposited securities, obligations or claims or any other property acquired by the Reorganization Committee under the provisions of this Plan and Agreement, in satisfaction of any bid or towards obtaining funds for the satisfaction thereof. The amount to be bid or paid by the Reorganization Committee for any property shall be absolutely discretionary with it; and in case of the sale to others of any property, the Reorganization Committee may receive, out of the proceeds of such sale or otherwise, any dividend in any form accruing on any securities, obligations or claims deposited under or otherwise subject to this Plan and Agreement. Nothing in this Plan and Agreement contained shall be construed to require the Reorganization Committee to acquire any property of the Company or of any of its subsidiary or affiliated companies, the acquisition of which it may not deem advisable.

Eighth: The Reorganization Committee in its discretion may procure the organization of one or more new companies whenever and under the laws of such state or states or foreign countries as it may determine, or may adopt or use any existing or new companies, and may cause to be made such consolidations, mergers, leases, sales, or other arrangements, and may make such conveyances or transfers of any properties, securities, obligations or claims acquired by the Reorganization Committee, and take such other steps as the Reorganization Committee may deem proper for the purpose of creating the new securities provided for in the Plan and carrying out all or any of the provisions thereof. It may cause the ownership of all or any property of the Parent Holding Company and/or the First Holding Company to be either a direct ownership or ownership through bonds or shares of stock, or both, of any other company, and may cause any mortgage or mortgages securing bonds of any of its subsidiary or affiliated companies to be either a direct lien upon any particular property, or a lien upon bonds or shares of stock of any company owning such property; and may consent to and approve upon such terms and conditions as it shall prescribe any modification or amendment of any bond or obligation of the Company or any of its subsidiary or affiliated companies and/or the mortgage or indenture under which they were issued. The Reorganization Committee may prescribe or approve the form of all securities, charters, certificates or articles of incorporation, by-laws, mortgages, indentures, agreements and certificates and all other instruments at any time to be executed, issued, filed or entered into in connection with carrying out the Plan. The Reorganization Committee may proceed under this Plan and Agreement or any part thereof with or without foreclosure or judicial or other sale and may exercise any power either before or after foreclosure or judicial or other sale; and in every case all the provisions of this Plan and Agreement shall equally apply to and in respect of any physical properties embraced under the reorganization and to and in respect of any securities, obligations or claims representing any such property, it being intended that for all purposes any such property and any securities, obligations or claims representing such property may be treated by the Reorganization Committee as substantially identical. In case any separate plan shall in the opinion of the Reorganization Committee become expedient to effect the reorganization of any subsidiary or affiliated or other company, or as to any property constituting any part of the properties

and assets of the Company or any of its subsidiary or affiliated companies, the Reorganization Committee may promote and participate in any such reorganization and may deposit thereunder any securities, obligations or claims thereby affected. The Reorganization Committee may make equitable provision for any case of lost, stolen or destroyed securities, obligations or claims, or certificates of deposit therefor, and may provide for and make such issues of fractional scrip as shall be necessary appropriately to represent any fractional interest in the new securities, and may in its discretion settle for and adjust any such fractional interest in cash, and it may issue or cause to be issued temporary or interim certificates representing new securities. It may also in its discretion set apart and hold in trust, or place in trust with any bank or trust company, any part of the new securities to be issued, and cash which may be received from sales of new securities, or otherwise, as it may deem judicious for the purpose of securing the application thereof for any of the purposes of this Plan and Agreement. The Reorganization Committee may receive and dispose of, or allow to be received or disposed of by any other person, firm or corporation, in accordance with any of the provisions of the Plan and Agreement, the new securities to be created, and may vote or cause or allow any person, firm or corporation to vote upon or consent in respect of any or all stocks until the same shall have been transferred or distributed as contemplated in the Plan to those entitled ultimately to receive the same. The Reorganization Committee may effect such mergers or consolidations of subsidiary, affiliated or other companies constituting a part of the properties and assets of the Company or of its subsidiary or affiliated companies as it may deem advisable, and may organize or utilize one or more subsidiary or affiliated companies for the purpose of acquiring or holding any properties or securities subject to the reorganization or acquired under this Plan and Agreement. The Reorganization Committee may, at public or private sale, or otherwise, and at such price or prices and upon such terms and conditions as it may in its discretion determine, dispose of any securities of the Parent Holding Company and/or First Holding Company left in its hands because of any failure to make deposits hereunder or for any other reason, or it may use such securities for the purpose of carrying out the reorganization in such manner as it may deem expedient.

Ninth: The Reorganization Committee (acting as hereinafter provided) shall be the sole and final judge as to whether and when a sufficient amount of securities, obligations and claims of the various classes shall have been deposited under this Plan and Agreement, or the holders thereof shall have otherwise assented thereto, to render it advisable to declare the Plan operative, and its determination in that respect shall be final, binding and conclusive upon all Depositors. The Reorganization Committee in its discretion may declare the Plan operative as to all classes of securities, obligations and claims for which provision is made in the Plan or from time to time only as to certain classes of such securities, obligations or claims, or may from time to time exclude from the Plan any class or classes of securities, obligations or claims as to which the Plan shall not have been declared operative, and in any such case the Reorganization Committee shall thereupon publish notice to that effect in the manner provided in Article Thirteenth hereof. In case, however, the Reorganization Committee shall not have declared the Plan operative as to

any class of securities, obligations or claims to be adjusted under the Plan within two (2) years from the date of the first publication of the notice of the adoption of the Plan, the committee hereinbefore mentioned as having approved and adopted the Plan representing such class of securities, obligations or claims may give notice to the Reorganization Committee of its desire to withdraw the securities, obligations or claims of such class from the Plan upon the expiration of the period (which shall be not less than thirty (30) days) to be stated in such notice, unless within said period the Plan shall have been declared operative by the Reorganization Committee as to such class of securities, obligations or claims. If the Plan shall not be declared operative as to such class of securities, obligations or claims within the period so specified (which, however, may be extended from time to time by the committee giving such notice), the Plan shall be deemed to have been abandoned as to such class of securities, obligations or claims upon the expiration of said period and the holders of certificates of deposit for such class of securities, obligations or claims shall be entitled to withdraw from this Plan and Agreement in accordance with the provisions hereinafter specified for withdrawals in case of material amendment of the Plan. In case the Reorganization Committee shall exclude from the Plan any class or classes of securities, obligations or claims, such act shall be deemed to be an abandonment of the Plan as to any such class or classes of securities, obligations or claims and the holders of the certificates of deposit representing the same and any committee constituted under a deposit agreement or acting under assignments and/or powers of attorney or other evidences of authority for any such class or classes of securities, obligations or claims shall have the same rights as though the Reorganization Committee had abandoned the entire Plan, as hereinafter provided. Anything herein to the contrary notwithstanding, the Plan shall not be declared operative with respect to the Keystone Water Works and Electric Corporation First Lien Gold Bonds or the Atlantic Public Service Associates, Inc. First Lien and Secured 5½% Gold Bonds, or the notes specified in Subdivision 14 of this Agreement, unless it shall be declared operative as to all of said securities and until the committees representing the Keystone Water Works and Electric Corporation First Lien Gold Bonds and the Atlantic Public Service Associates, Inc. First Lien and Secured 5½% Gold Bonds shall have approved the purchaser for the purchase of First Lien and Collateral Trust Bonds of the First Holding Company and the Common Stock of the Parent Holding Company initially to be issued under the Plan. The Reorganization Committee shall also have full power and authority, whenever it shall deem proper, to abandon or from time to time to alter, modify or depart from the Plan or any part thereof, including the exclusion from the Plan of any class or classes of securities, obligations or claims as to which the Plan shall have been declared operative or the inclusion or reinclusion in the Plan of any class or classes of securities, obligations or claims which may previously have been excluded. The Reorganization Committee may, at any time or from time to time after any such partial abandonment, restore to the Plan any abandoned part or parts thereof, and may seek to carry the same into effect as fully as if such part or parts had not been abandoned. The Reorganization Committee may also attempt to carry the Plan into effect rather than abandon or modify the same, even though it be manifest that, as carried out, the Plan must depart from the original Plan or from some part thereof. The

foregoing provision is subject to the qualifications that neither the Keystone Water Works and Electric Corporation First Lien Gold Bonds nor the Atlantic Public Service Associates, Inc. First Lien and Secured 5½% Gold Bonds, nor the notes mentioned in Subdivision 14 of this Agreement shall be excluded from the Plan nor shall the Plan be abandoned with respect thereof, nor after such exclusion or abandonment restored to the Plan without, in each case, the consent of the remaining committees representing said bonds or the holders of said notes respectively not so excluded, abandoned or restored.

In the event the Reorganization Committee shall determine to make any change or modification in, or amendment of, the Plan, a statement thereof shall be filed with the above-named committees which have approved and adopted the Plan, and (*a*) if within ten (10) days after the filing of any such statement the Reorganization Committee shall receive notice in writing from any of said committees that in the judgment of such committee the change, modification or amendment proposed adversely affects to a material degree the holders of certificates of deposit representing the class or classes of securities, obligations or claims for which such committee is acting, or (*b*) if in the judgment of the Reorganization Committee any such change, modification or amendment shall adversely affect to a material degree the holders of certificates of deposit for any class or classes of securities, obligations or claims not represented by any committee which shall have approved and adopted the Plan, or (*c*) if in the judgment of the Reorganization Committee any such change, modification or amendment shall adversely affect to a material degree the holders of certificates of deposit issued under the Plan or any holders of securities, obligations and claims who with the consent of the Reorganization Committee shall have become bound by this Plan and Agreement without the deposit under the Plan or under any deposit agreement of their securities, obligations and claims, as the case may be, then a statement of such proposed change, modification or amendment shall be filed with the depositary or depositaries of the class or classes of securities, obligations or claims represented by the committee or committees giving notice as aforesaid or which in the opinion of the Reorganization Committee may be so affected, and with the depositaries of the Reorganization Committee, and notice of the fact of such filing shall be given as provided in Article Thirteenth hereof. Holders of certificates of deposit for securities, obligations or claims of the class or classes so affected may at any time within twenty (20) days after the first publication of such notice, upon surrender to the depositary issuing the same of their respective certificates of deposit in negotiable form, withdraw from this Plan and Agreement: but only upon payment of (*a*) such taxes as may be imposed on the transfer and delivery of the securities, obligations or claims withdrawn, (*b*) the respective pro rata shares apportioned thereto by the Reorganization Committee of the expenses of the Reorganization Committee (including in that term wherever used in this Plan and Agreement the compensation of the Reorganization Committee and the compensation, obligations and expenses of any committee for, or other representatives of, securities, obligations and claims dealt with under the Plan which shall have been assumed or paid by the Reorganization Committee), (*c*) such sums as may be the proportionate share of the compensation, expenses and advances to depositors, if any, which may be fixed by any

committee pursuant to the provisions in that respect of the deposit agreement under which such certificates of deposit were issued, (*d*) such sums as the Reorganization Committee in its discretion shall fix as the respective pro rata shares of all indebtedness, obligations and liabilities of the Reorganization Committee (other than for the acquisition of property which, or substitutes for which, shall be then held by the Reorganization Committee) to be borne by such holders of certificates of deposit, and (*e*), if the Reorganization Committee in its discretion shall require, such sum as the Reorganization Committee in its discretion shall fix as the respective pro rata shares of all indebtedness, obligations and liabilities of the Reorganization Committee in respect of the acquisition of property which, or substitutes for which, shall be then held by the Reorganization Committee to be borne by such holders of certificates of deposit. Upon such withdrawal holders of certificates of deposit so withdrawing upon compliance with the terms and conditions herein set forth shall be entitled to receive securities, obligations or claims of the character and to the amount represented by the certificates of deposit so surrendered or the proceeds thereof or substitutes therefor then under the control of the Reorganization Committee in proportion to their respective interests, and, if the Reorganization Committee shall have required the payment of any sum pursuant to clause (*e*) of this Article Ninth, certificates of interest representing the respective pro rata shares apportioned to them by the Reorganization Committee in its discretion of any other securities, obligations or property acquired by the Reorganization Committee and not previously or simultaneously sold, contracted to be sold or otherwise disposed of by the Reorganization Committee, or, as the Reorganization Committee in its discretion may determine, certificates of interest in such form and with such provisions as the Reorganization Committee shall prescribe evidencing the respective pro rata interests so apportioned to them in such securities, obligations or property and in the ultimate proceeds of any liquidation or any other dealing therewith by the Reorganization Committee in its discretion in pursuance of the provisions of such certificates of interest, but the respective interests of holders of such certificates of interest in such proceeds shall not exceed in any event the respective pro rata shares of the indebtedness, obligations and liabilities of the Reorganization Committee stated in said clause (*e*) which the holders of the certificates of deposit against which such certificates of interest shall have been issued shall have paid, without interest. Every holder of a certificate of deposit not so surrendering and withdrawing within such twenty (20) days after the first publication of such notice, and whether or not having actual knowledge thereof, shall be deemed to have assented to the changes, modifications and amendments, and shall be bound thereby as fully and effectively as if he had actually assented thereto. The term "certificates of deposit" as used in this Article Ninth shall include certificates of deposit or receipts issued by any Committee or by its depositary upon the assignment to said committee of securities, obligations and claims of the class or classes which it represents.

Any changes, modifications and amendments made by the Reorganization Committee shall be part of the Plan and of this Agreement, and all provisions and references herein concerning the Plan shall apply to the Plan as so changed, modified or amended.

In case the Reorganization Committee shall finally abandon the entire Plan, it shall thereupon publish notice to that effect in the manner provided in Article Thirteenth hereof. In case of such abandonment of the entire Plan, holders of certificates of deposit representing securities, obligations or claims deposited with a depositary of the Reorganization Committee, or transferred and assigned in accordance with Article Third hereof to the Reorganization Committee or to any nominee or representative thereof by some other committee with whose depositary such securities, obligations or claims shall have been deposited, shall (unless the Reorganization Committee shall make delivery to such committee as hereinafter provided), upon the surrender of their respective certificates of deposit in negotiable form and upon payment of (*a*) such taxes as may be imposed upon the transfer and delivery of the securities, obligations or claims withdrawn, and (*b*) such other sums as the Reorganization Committee in its discretion shall fix as the respective pro rata shares of the expenses and all other indebtedness, obligations and liabilities of the Reorganization Committee to be borne by such holders of certificates of deposit, be entitled to withdraw from this Plan and Agreement and to receive securities, obligations or claims of the character and to the amount represented by the certificates of deposit so surrendered, or the proceeds thereof or substitutes therefor, then under the control of the Reorganization Committee, and a proportionate part, as determined by the Reorganization Committee, of any other securities, obligations or property acquired by the Reorganization Committee and not previously or simultaneously sold, contracted to be sold or otherwise disposed of by the Reorganization Committee, or, as the Reorganization Committee in its discretion may determine, certificates of interest representing the respective pro rata shares apportioned to them by the Reorganization Committee in its discretion of any such securities, obligations or property acquired by the Reorganization Committee and not previously or simultaneously sold, contracted to be sold or otherwise disposed of by the Reorganization Committee, or, as the Reorganization Committee in its discretion may determine, certificates of interest in such form and with such provisions as the Reorganization Committee shall prescribe evidencing the respective pro rata interests so apportioned to them in such securities, obligations, or property and in the ultimate proceeds of any liquidation or any other dealing therewith by the Reorganization Committee in pursuance of the provisions of such certificates of interest. In case of such abandonment of the entire Plan, the Reorganization Committee, in lieu of making the deliveries to holders of certificates of deposit of securities, obligations or claims of any of the above mentioned classes as above provided, may, in its discretion, and if any committee hereinbefore mentioned with the depositary of which such securities, obligations or claims shall have been deposited so requests, shall deliver to such committee the securities, obligations or claims of the character and to the amount represented by all of the certificates of deposit of such class so outstanding, or the proceeds thereof or substitutes therefor, then under the control of the Reorganization Committee, and a proportionate part, as determined by the Reorganization Committee, of any other securities, obligations or property acquired by the Reorganization Committee and not previously or simultaneously sold, contracted to be sold or otherwise disposed of by the Reorganization Committee, or as the

Reorganization Committee in its discretion may determine, certificates of interest representing the respective pro rata shares apportioned to them by the Reorganization Committee in its discretion of any such securities, obligations or property acquired by the Reorganization Committee and not previously or simultaneously sold or contracted to be sold or otherwise disposed of by the Reorganization Committee, or, as the Reorganization Committee in its discretion may determine, certificates of interest in such form and with such provisions as the Reorganization Committee shall prescribe evidencing the respective pro rata interests so apportioned to them in such securities, obligations or property and in the ultimate proceeds of any liquidation or any other dealing therewith by the Reorganization Committee in pursuance of the provisions of said certificates of interest, upon the payment by such committee to the Reorganization Committee of (*a*) such taxes as may be imposed on the transfer and delivery of such securities, obligations, claims and property and (*b*) such other sums as otherwise would be payable by the holders of such certificates of deposit of such class upon the surrender thereof. In such event the holders of the certificates of deposit of such class shall have no other or further interest in or rights under this Plan and Agreement and the Reorganization Committee shall be discharged from all liability or accountability of any kind, character or description to the holders of the certificates of deposit of such class, and such certificates of deposit shall be deemed and taken to be only certificates of deposit issued and outstanding under the agreement constituting the committee representing the holders of such securities, obligations or claims, including any amendment or amendments thereof made pursuant to the terms thereof, or under the assignments, powers of attorney or other authority under which such Committee is acting. In the case of such abandonment of the entire Plan any securities, obligations or claims deposited with any depositary, or agent of depositary, of, or held under any assignment, power of attorney or other authority by, any of the committees approving and adopting this Plan and Agreement as in Article Third hereof set forth, which shall not have theretofore been assigned and transferred to the Reorganization Committee or to any nominee or representative thereof as in said Article provided, shall remain on deposit with the depositary or depositaries of the committee under the particular deposit agreement under which the certificates of deposit representing the same respectively shall have been issued, or shall remain subject to such assignment, power of attorney or other authority, as the case may be, and the rights of the holders of such certificates of deposit shall thenceforth be only such as are conferred by said deposit agreement, or by such assignment, power of attorney or other authority, as the case may be, undiminished and unaffected by this Plan and Agreement or any provision hereof or any action taken pursuant hereto, except that said securities, obligations and claims shall be and hereby are charged with the payment of such sums as the Reorganization Committee shall fix as the respective pro rata shares of the expenses and all other indebtedness, obligations and liabilities of the Reorganization Committee to be borne by the holders of such certificates of deposit or of such securities, obligations and claims so held under such assignment, power of attorney or other authority.

In the event that any certificates of deposit shall not be so surrendered within three (3) months after the publication of such notice of abandonment of the Plan, the Reorgani-

zation Committee may, at any time or from time to time, thereafter in its discretion, without notice, sell in one or several parcels as it may determine, at any time or from time to time, at public or private sale, and on such terms and conditions as it may deem expedient, to any person, firm or corporation (including any member of the Reorganization Committee or any firm of which any of them are or may be members or any corporation of which any of them are or may be officers, directors or stockholders) all or any of the securities, obligations, claims and other property which the holders of such certificates of deposit would be entitled to receive upon surrender of their certificates of deposit, and may apply the proceeds of such sale or sales, in so far as necessary therefor, to the payment of the expenses of such sale or sales and of the sums which the holders of such certificates of deposit would have been required to pay as their respective pro rata shares of the expenses, indebtedness, obligations and liabilities of the Reorganization Committee. The holders of such certificates of deposit shall thereafter be entitled, upon surrender of their certificates of deposit and upon payment of such taxes as may be imposed upon the transfer and delivery of securities, obligations and property delivered, to receive (*a*) a proportionate part of such securities, obligations and property remaining unsold, if any, or, as the Reorganization Committee in its discretion may determine, certificates of interest representing the respective pro rata shares apportioned to them by the Reorganization Committee in its discretion of any such securities, obligations, claims and property remaining unsold, or, as the Reorganization Committee in its discretion may determine, certificates of interest in such form and with such provisions as the Reorganization Committee shall prescribe evidencing the respective pro rata interests so apportioned to them in such securities, obligations, claims or property and in the ultimate proceeds of any liquidation or any other dealing therewith by the Reorganization Committee in pursuance of the provisions of such certificates of interest, and (*b*) a proportionate part of any remaining net proceeds of any such sale or sales.

The Reorganization Committee shall have power to determine and to apportion the pro rata share of expenses, indebtedness, obligations and liabilities to be borne by each class of deposited securities, obligations and claims and the pro rata share of other securities, obligations and property, or certificates of interest therein, to be distributed to holders of deposited securities, obligations and claims upon any withdrawal under any of the provisions of this Agreement or upon the abandonment of the Plan, and the apportionments so made by the Reorganization Committee shall be final, binding and conclusive upon all the Depositors and upon all committees for, and other representatives of, such securities, obligations or claims. The abandonment of the entire Plan shall not affect any previous acts done or obligations undertaken by the Reorganization Committee.

Every Depositor who shall exercise any right of withdrawal conferred by any provision of this Agreement shall, by the surrender of his certificate of deposit, and such withdrawal, thereupon, without further act, cease to have any rights under this Plan and Agreement and the exercise of such right of withdrawal shall release and discharge the Reorganization Committee, and each member thereof individually, the committees representing the securities, obligations or claims of the classes so withdrawn, the depositaries and all other parties from all liability and accountability under this Plan and Agreement;

provided, however, that such withdrawal shall not in any wise affect any rights or powers of the Reorganization Committee hereunder, or as may be reserved in any such certificate of interest, to deal with any securities, obligations, claims or property theretofore or thereafter acquired by the Reorganization Committee, notwithstanding the issuance to such withdrawing depositors of certificates of interest in respect of such securities, obligations, claims or property, and specifically and without in any wise limiting such general authority, the Reorganization Committee may use the same for any purposes of the reorganization, accounting therefor to the holders of such certificates of interest at not exceeding the cost thereof without interest. Deposited securities, obligations and claims may not without the consent of the Reorganization Committee be withdrawn from this Plan and Agreement except as and when in this Agreement provided.

Tenth: The parties of the first part to this Agreement shall be the Reorganization Committee under this Plan and Agreement to endeavor to consummate the reorganization and the adjustment of securities, obligations and claims in the Plan provided for, with the powers and duties, entitled to the rights and immunities and subject to the conditions and limitations in this Plan and Agreement provided. Gerald W. Peck shall be Chairman of the Reorganization Committee. C. F. Boake shall be Secretary; and Chapman and Cutler, Chicago, Illinois, shall be counsel for the Reorganization Committee. Whenever in this Plan and Agreement it is provided that any matter or thing shall or may be done or determined by the Reorganization Committee the same shall or may be done or determined by the act, vote or consent of a majority of the members then serving. Wherever used in this Plan and Agreement the expression "the Reorganization Committee" means a majority of the members of said Committee then serving. The Reorganization Committee may act either at a meeting or in writing or by cable or telegram without a meeting. Any member of the Reorganization Committee may vote or act by a general proxy or power of attorney subject to change or revocation, or by a proxy or power of attorney for any particular meeting or meetings or for any specific purpose or purposes, and the holder of any such proxy or power of attorney, may, but need not, be another member of the Reorganization Committee. Any such proxy or power of attorney may be in writing or by cable or telegram or in any other form satisfactory to the Reorganization Committee. Subject to the provisions hereof, the Reorganization Committee, in its discretion, may fix its rules of action and procedure, and may elect a chairman in succession to said Gerald W. Peck in event of his death or resignation, one or more vice chairmen who shall be members of the Reorganization Committee, and a secretary who need not be a member of the Reorganization Committee, and may define their respective powers and duties. In event of the death or resignation of any member of the Reorganization Committee, his successor shall be appointed or designated by the committee of which such member was the chairman; provided, however, that any alternate theretofore designated by such member may, in event of such resignation or death, continue to act as such alternate until the appointment of such successor. The Reorganization Committee shall have the authority and powers expressly conferred upon it under the provisions of this Plan and Agreement and also all such incidental powers as it may deem necessary or convenient to enable it to carry out the Plan. The expenses and compensation of the Reorganization

Committee, and the expenses and compensation of all other committees approving or adopting the Plan, and of all counsel, depositaries, agents of depositaries and syndicates, as determined or approved by the Reorganization Committee, shall be paid as a part of the expenses of the reorganization and all securities, obligations and claims deposited under this Plan and Agreement, or becoming subject to the provisions hereof, shall be subject to a lien for their respective pro rata shares of such expenses and compensation. In case any member of the Reorganization Committee shall die, resign or become unable to act as a member of said committee, his successor may be designated by a majority of the remaining members of said committee and said committee may at any time or from time to time add to its members. Neither the Reorganization Committee nor any of the committees herein mentioned nor any members thereof nor any of the depositaries or agents of depositaries or any representative thereof assumes any personal responsibility for the execution of the Plan or of this Agreement, or any part of either, nor for the result of any steps taken or acts done to accomplish the purposes thereof. No depositary, nor agent of depositary, nor any of said committees, nor any member of the Reorganization Committee or of any of said committees, nor any representative thereof, shall be personally liable for any act or omission, nor for any act or omission of any agent or employee selected in good faith, nor for any error of judgment or mistake of law or fact, nor in any case except for his, its or their own individual willful malfeasance. The Reorganization Committee may form or procure the formation of any syndicate or syndicates which it may deem advantageous for carrying out the purposes of the Plan, and whether or not mentioned in the Plan, and such syndicates and the managers thereof shall be entitled to such compensation or commissions as are provided by the Plan, or, if not provided by the Plan, as shall be determined by the Reorganization Committee. Any member of the Reorganization Committee, or any of the depositaries or agents of depositaries or any member of any committee representing or purporting to represent securities, obligations or claims of any class for which provision is made under the Plan, or any corporation of which any member of the Reorganization Committee may be an officer, director or stockholder, or any depositary or agent of depositary or any officer, director or stockholder of any depositary or agent of depositary, or any member of any such committee, or any firm in which any member of any committee may be a partner, or any corporation of which any member of any committee may be an officer, director or stockholder, may be or become pecuniarily interested in any contracts, property or matters which this Plan and Agreement concerns, including participation in or under any syndicate agreement, as syndicate managers, syndicate subscribers or otherwise, whether or not mentioned in the Plan, or may be an incorporator, officer or director of, or otherwise interested in, the Parent Holding Company and/or First Holding Company or any other corporation which may be dealt with under or otherwise affected by this Plan and Agreement; and any member of the Reorganization Committee may also be or become a member of or otherwise connected with or interested in any other committee representing any of the securities, obligations and claims. Any of the depositaries or any agent of any of the depositaries may be trustee under any mortgage, indenture or agreement created or entered into in connection with the Plan or otherwise may act in any manner for the Parent Holding Company and/or

First Holding Company or for the holders of any of the new securities. The deposited securities, obligations and claims shall be held by the various depositaries and agents subject in all respects to the control of the Reorganization Committee, and any direction given by the Reorganization Committee shall be full and sufficient authority for any action of any depositary, agent of depositary, or of any trust company or of any other custodian or of any committee or agent.

The Reorganization Committee may employ counsel, depositaries, agents and all necessary assistants and may delegate to any sub-committee of its members or otherwise any power or authority as well as discretion; and it may incur and/or discharge any and all expenses which it deems reasonable for the purposes of the Plan or for carrying out or attempting to carry out the same, and any and all expenses in connection with the preparation of this Plan and Agreement, the issue of certificates of deposit and the issue or transfer of securities, the listing on any exchange of certificates of deposit or securities, legal expenses, expenses for advertising and printing, and all taxes, all expenses of or incident to the receivership proceedings of the Company and of any of its subsidiary or affiliated companies, all expenses and compensation of depositaries and agents of depositaries, all organization and other expenses of the Parent Holding Company and/or First Holding Company and of any other company or companies utilized in connection with the reorganization, and all other expenses in any manner connected with this Plan and Agreement or which in its discretion it may deem expedient to incur in undertaking to promote any of the purposes hereof. The Reorganization Committee shall be the sole judge of the propriety or expediency of any and all expenses and the amounts thereof. It shall be the sole judge of the propriety or expediency of the compensation, expenses and liabilities, including counsel fees, of any committee representing holders of securities, obligations or claims of any class with which the Plan deals, and all the accounts of such committees shall be filed with the Reorganization Committee if the Plan shall be declared operative, and when approved by the Reorganization Committee shall be finally binding and conclusive upon all holders of securities, obligations and claims which shall be deposited under or otherwise become subject to this Plan and Agreement and upon all parties having any interest therein. For all its compensation, expenses, indebtedness, obligations and liabilities the Reorganization Committee, its successors and assigns, shall have a lien upon all securities, obligations and claims which shall be deposited under or otherwise become subject to this Plan and Agreement and upon all property, obligations and securities acquired in the course of the reorganization, and until their delivery or distribution, upon the new securities contemplated by the Plan.

All moneys paid under or with reference to this Plan and Agreement shall be paid by any depositary receiving or holding such moneys, on the written order of the Reorganization Committee signed by such persons as shall be designated by the Reorganization Committee for such purpose. The Reorganization Committee may hold or may deposit any such moneys with any bank, bankers or trust company, subject to application by the Reorganization Committee for any of the purposes of this Plan and Agree-

ment as from time to time may be determined by the Reorganization Committee, whose determination as to the propriety and purpose of any such application shall be final, and nothing in this Plan and Agreement shall be understood as limiting or requiring the application of specific moneys to specific purposes.

Eleventh: The enumeration of specific powers hereby conferred shall not be construed to limit or to restrict general powers herein conferred or intended so to be, it being intended to confer on the Reorganization Committee, in respect of all deposited securities, obligations and claims, and in all other respects, any and all powers which the Reorganization Committee may deem expedient in or towards carrying out or promoting the purposes of this Plan and Agreement in any respect, even though any such power be apparently of a character not now contemplated; and the Reorganization Committee may exercise any and every such power as fully and effectively as if the same were herein distinctly specified, and as often as for any reason it may deem expedient. The Reorganization Committee may, at any time or from time to time, and whether or not the Plan shall have been declared operative in whole or in part, and whether or not there shall have been a sale of any of the property, exercise in whole or in part any or all the powers conferred upon it by this Plan and Agreement. The methods to be adopted towards carrying out this Plan and Agreement shall be entirely discretionary with the Reorganization Committee, and this Plan and Agreement shall in all respects be liberally construed so as to enable the Reorganization Committee to carry into effect the purposes of the Plan, whether in the form hereto annexed or with such changes, modifications and amendments as may be made pursuant to any of the provisions of this Plan and Agreement. Anything which in this Plan and Agreement the Reorganization Committee is authorized to do or allow to be done, it may do or allow to be done by or through such agents or agencies as in its discretion it may determine, or by or through others, with its approval, consent or acquiescence, or by contracting therefor with any person, firm or corporation. The Reorganization Committee may construe this Plan and Agreement, and its construction thereof or action thereunder shall be final and conclusive, and it may supply any defect or omission or reconcile any inconsistency, in such manner and to such extent as it shall deem expedient to carry out the same and it shall be the sole and final judge of such expediency. Any action contemplated in this Plan and Agreement to be performed on or after completion of the reorganization may be taken by the Reorganization Committee at any time when it shall deem that the reorganization has advanced sufficiently to justify such course, and the Reorganization Committee may defer, as it may deem expedient, the performance of any provision of this Plan and Agreement, or may commit such performance to the Parent Holding Company and/or First Holding Company and may cause the Parent Holding Company and/or First Holding Company to pay or assume any indebtedness or liabilities authorized or incurred by the Reorganization Committee or otherwise in furtherance of the Plan, or to make or assume any obligations which in the judgment of the Reorganization Committee may be expedient to carry out this Plan and Agreement.

Twelfth: All securities, obligations and claims which shall be deposited under this Plan and Agreement, or acquired by the Reorganization Committee under any of the provisions hereof, shall remain in full force and effect for all purposes, and shall not be deemed to have been merged, satisfied, released or discharged by any delivery of new securities or by any payment of cash, and no right or lien shall be deemed released or waived; but said securities, obligations and claims and any judgment upon any of such securities, obligations and claims, including claims and judgments for deficiencies, and all liens and equities, shall remain unimpaired, and may be enforced by the Reorganization Committee or by the Parent Holding Company and/or First Holding Company or by any assignee of the Reorganization Committee until paid or satisfied in full or expressly released. Neither the Reorganization Committee nor any stockholder or creditor of the Company, by executing this Agreement, or by becoming a party hereto, releases, surrenders or waives any lien, right or claim whatsoever, and all such liens, rights or claims shall vest unimpaired in the Reorganization Committee and its assigns or successors in interest; and any purchase or purchases by or on behalf of the Reorganization Committee, or its nominees, under any decree for the enforcement of any such lien, right or claim, shall vest the property purchased in the Reorganization Committee or its nominees, free from all interest or claim on the part of any stockholder or creditor of the Company, or any other parties. No right is conferred, nor is any trust, liability or obligation (except to the extent hereby created in favor of the Depositors) created by this Plan and Agreement or assumed hereunder or by or for the Parent Holding Company and/or First Holding Company in favor of any stockholder or creditor of, or holder of any claim against, the Company, or in favor of any company now existing or to be formed hereafter (whether such claim be based on any bond, coupon, stock or other security, lease, guaranty or otherwise) in respect of any securities, obligations or claims deposited under this Plan and Agreement or any moneys paid to or received by the Reorganization Committee or the depositaries hereunder, or their agents, or in respect of any property acquired by purchase at any judicial or other sale, or in respect of any new securities to be issued, or in respect of any other matter or thing.

Thirteenth: All calls or notices hereunder, except when herein otherwise expressly provided, shall be published in a daily newspaper printed in the English language and of general circulation in the Borough of Manhattan, City and State of New York, and in a daily newspaper printed in the English language and of general circulation in the City of Chicago, Illinois, selected by the Reorganization Committee, twice in ten (10) days, in each case on any day of the week. In case any such newspaper shall not at the time be published, the Reorganization Committee may select such other daily newspaper of general circulation as it shall see fit in place of the newspaper the publication of which shall have ceased. Any call or notice whatsoever when so published by the Reorganization Committee shall be taken and considered as though personally served on all parties hereto and upon all Depositors and others entitled to notice under this Plan and Agreement as of the date of the first publication thereof, and such publication

shall be the only notice required to be given under this Plan and Agreement, and shall be conclusive upon anyone entitled to such notice, whether or not he shall have had actual notice or knowledge of such publication or of the subject matter thereof.

Fourteenth: The accounts of the Reorganization Committee shall be filed with the board of directors of the Parent Holding Company within one year after its organization shall have been completed, unless a longer time be granted by said board. The accounts, when approved by said board and until disapproved by said board, shall be final, binding and conclusive upon all parties having any interest therein, and upon approval thereof by said board, or if said board shall not act thereon within one year from the filing thereof as aforesaid, the Reorganization Committee shall be discharged. The acceptance of new securities by any Depositor shall estop such Depositor from questioning the conformity of such securities in any particular to any provisions of the Plan; and the acceptance of new securities by a majority in amount of the Depositors of any class shall in each case respectively estop all Depositors of that class, and shall constitute a release and discharge of the Reorganization Committee, the committee or other representatives issuing certificates of deposit in respect of or representing the securities, obligations or claims of such class and the depositaries and their agents, on the part of all the holders of outstanding certificates of deposit of such class from all liability and accountability of any kind, character and description whatsoever, save the obligation to make delivery of a like *pro rata* amount of cash, securities, or other property or certificates of interest therein upon the surrender of outstanding certificates of deposit.

Fifteenth: This Plan and Agreement shall bind and benefit the several parties, including the Depositors hereunder, and their respective survivors, heirs, executors, administrators, successors and assigns. This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF the members of the Reorganization Committee, or a majority thereof, have subscribed this Agreement, or a counterpart thereof, as of the date hereof and the Depositors have become parties hereto in the manner hereinbefore provided.

GERALD W. PECK,
JAMES T. WOODWARD,
A. S. CUMMINS,
A. E. FITKIN,
E. L. MCBRIDE,
as the Reorganization Committee.