§ 85.40 Repayment plan for municipality; court approval; continuation of stay. Upon the filing of a petition pursuant to section 85.30 of this title, a repayment plan may be filed by the municipality or, in the event the municipality refuses to file such a plan after request by its emergency financial control board or, after such request, fails to file a plan within forty-five days from the filing of a petition pursuant to section 85.30 of this title, the board may file a repayment plan pursuant to this section on behalf of the municipality. Upon the filing of such a plan, the court shall enter an order approving the plan and extending any stay then in effect pursuant to section 85.30 of this title as against all creditors of the municipality for such additional period of time as is required to carry out fully all of the terms and provisions of the plan with respect to those creditors who accept the plan or any benefits thereunder, if the court finds, after a hearing, that: (a) the repayment plan provides for the eventual satisfaction of all debts and obligations of the municipality affected thereby; (b) that, giving due regard to the financial condition of the municipality and to the necessity for the municipality to expend moneys for services and purposes determined to be necessary as provided in section 85.30 of thit title, the repayment plan provides as prompt payment to all creditors affected thereby, on a fair and equitable basis, as is practicable in the circumstances; (c) that the repayment plan preserves any applicable priorities among creditors or classes of creditors; and (d) that the repayment plan was approved by the municipality's emergency financial control board. In the event that the court is unable to make the aforesaid findings as to the repayment plan, it shall enter an order disapproving the plan and vacating the stay then in effect, which order shall become effective within ten days from the entry thereof unless, prior thereto, an amended repayment plan is filed with the court. Upon the filing of the first such amended plan, the court shall extend and, in its discretion, upon the filing of any further amended plans it may extend the stay then in effect for such additional period of time as is required to permit the court to enter an order containing findings pursuant to this section with respect to the amended plan.