

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

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In re :
:
MONTREAL, MAINE & ATLANTIC, : **Case No. 13-10670 (LHK)**
LTD., :
: **Chapter 11**
Debtor. :
:
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APPLICATION FOR ORDER, PURSUANT TO SECTIONS 328, 330, AND 1103 OF BANKRUPTCY CODE, AUTHORIZING EMPLOYMENT AND RETENTION OF PAUL HASTINGS LLP AS COUNSEL TO OFFICIAL COMMITTEE OF VICTIMS, EFFECTIVE AS OF DECEMBER 10, 2013

The Official Committee of Victims (the “Committee”) appointed in the chapter 11 case of Montreal Maine & Atlantic Railway, Ltd. (the “Debtor”) hereby moves this Court for entry of an order, pursuant to sections 328, 330, and 1103 of title 11 of the United States Code (the “Bankruptcy Code”), and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), authorizing the retention and employment of Paul Hastings LLP (“Paul Hastings”) as counsel for the Committee effective as of December 10, 2013 (the “Application”). In support of this Application, the Committee relies upon the affidavit of Luc A. Despins (the “Despins Affidavit”), filed concurrently herewith, and respectfully represents as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over the subject matter of the Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. This matter constitutes a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

2. The statutory and other bases for the relief requested herein are sections 328, 330, and 1103 of the Bankruptcy Code, Bankruptcy Rules 2014 and 2016, and Rules 2014-1, 2014-2, and 2014-3 of this Court's local rules (the "Local Rules").

BACKGROUND

3. On August 7, 2013 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. On August 21, 2013, the United States Trustee for the District of Maine (the "U.S. Trustee") appointed Robert J. Keach (the "Trustee") to serve as the Trustee in the Debtor's chapter 11 case.

4. Concurrently with seeking chapter 11 relief in this Court, on August 7, 2013, Montreal, Maine & Atlantic Canada Co. ("MMA Canada"), the Debtor's wholly-owned subsidiary, commenced a proceeding (the "CCAA Proceeding") in the Superior Court (Commercial Division) of the Province of Québec, District of Montreal, which case has now been transferred to the court located in Sherbrooke, District of St. Francois, Province of Québec (the "CCAA Court"), under the CCAA. Richter Advisory Group Inc. has been appointed as the monitor in the CCAA Proceeding (the "Monitor").

5. On August 30, 2013, the Informal Committee of Québec Claimants, comprised of (i) the government of the Province of Québec, Canada (the "Québec Government"), (ii) the municipality of Lac-Mégantic, Québec (the "City of Lac-Mégantic"), and (iii) the representatives of a Canadian class action lawsuit consisting of victims of the July 6, 2013 derailment that led to this chapter 11 case (the "Québec Class Action Representatives"), filed the *Motion Of Informal Committee Of Québec Claimants For Appointment Of Creditors' Committee Pursuant To Bankruptcy Code Section 1102(a)(2)* [Docket No. 127] (the "Committee Motion"). On October 18, 2013, the Court entered the *Order Authorizing the Appointment of a*

Victims' Committee [Docket No. 391] (the "Committee Appointment Order"), pursuant to which the U.S. Trustee was authorized to appoint a victims' committee in this case.

6. On November 27, 2013, the U.S. Trustee filed and served its *Appointment and Notice of Appointment of Committee of Creditors* [Docket No. 460] and appointed the following members to the Committee: Serge Jacques, Jacinthe LaCombe, and Megane Turcotte.¹ On December 10, 2013, the U.S. Trustee filed the *Amended Appointment and Notice of Appointment of Committee of Creditors* [Docket No. 478] and added Pierre Paquet as an additional Committee member.

7. On December 10, 2013, the members of the Committee voted to make the Québec Government and the City of Lac-Mégantic *ex officio* members of the Committee. The Québec Government and the City of Lac-Mégantic are represented on the Committee by Frédéric Maheux and Conrad Lebrun, respectively. The Committee members have elected Pierre Paquet and Frédéric Maheux as co-chairs of the Committee.

8. Based on the circumstances of the Debtor's chapter 11 case, the Committee believes that it has the immediate need to employ counsel. The Committee convened at a scheduled meeting on December 10, 2013 to, among other things, consider potential counsel. After due deliberation, the Committee voted and decided to employ Paul Hastings as its bankruptcy counsel, subject to this Court's approval. Since then, the Committee also selected Perkins Olson, PA ("Perkins") to act as its local and conflicts counsel, pursuant to section 1103 of the Bankruptcy Code, subject to this Court's approval.

¹ For reasons set forth in the *Wrongful Death Claimants' Motion to Modify Order Concerning Formation of Creditors' Committee* [Docket No. 476] and the *Objection of Official Committee of Victims to Wrongful Death Claimants' Motion to Modify Order Concerning Formation of Creditors' Committee* [Docket No. 556], Ms. Turcotte has never participated in any Committee meetings. Therefore, reference herein to the members of the Committee should be read to exclude Ms. Turcotte.

9. The Committee selected Paul Hastings because of the firm's extensive experience in and knowledge of bankruptcy matters under chapter 11 of the Bankruptcy Code and in particular cross-border insolvency matters, including Canadian-U.S. cross-border chapter 11 cases such as *In re AbitibiBowater Inc.*, Case No. 09-11296 (Bankr. Del.). Consistent with the foregoing, the Committee believes that it had sufficient information to make an informed decision to retain and employ Paul Hastings.

10. At the request of the Committee, Paul Hastings has rendered services from December 10, 2013, following the Committee's selection of Paul Hastings to represent the Committee as its counsel, through and including the date hereof. Accordingly, the Committee requests that the retention of Paul Hastings be authorized effective as of December 10, 2013. *See* D. Me. LBR 2014-2(a).

RELIEF REQUESTED

11. By this Application, the Committee requests entry of an order, pursuant to sections 328, 330, and 1103 of the Bankruptcy Code, approving the employment and retention of Paul Hastings as counsel to the Committee, effective as of December 10, 2013.

12. Subject to the limitations contained in the Committee Appointment Order (as such limitations may be modified by the Court), Paul Hastings seeks to render the following services, among others, on behalf of the Committee:

- a. to consult with the Committee, the Trustee, the Debtor, the U.S. Trustee and the Monitor concerning the administration of this chapter 11 case and the CCAA Proceeding;
- b. to review, analyze, and respond to pleadings filed with this Court and the CCAA Court and to participate at hearings on such pleadings;
- c. to take all necessary action to protect the rights and interests of the Committee, including, but not limited to, negotiations and preparation of documents relating to any plan and disclosure statement;

- d. to represent the Committee in connection with the exercise of its powers and duties under the Bankruptcy Code; and
- e. to perform all other necessary legal services in connection with this chapter 11 case.

13. By separate application, the Committee will seek to retain Perkins to serve as local and conflicts counsel in connection with the Debtor's chapter 11 case.

14. In order to avoid any duplication of efforts, Paul Hastings and Perkins have discussed each firm's respective responsibilities in connection with representation of the Committee and both firms expect that there will be minimal overlap, if any, between the responsibilities of the two firms.

BASIS FOR RELIEF

15. Section 328(a) of the Bankruptcy Code provides that a statutory committee may employ attorneys on any reasonable terms and conditions. *See* 11 U.S.C. § 328(a). The Committee believes that Paul Hastings is well qualified to act as its counsel in this chapter 11 case. The Committee believes that Paul Hastings has the necessary background to deal effectively with the potential legal issues and problems that may arise in this chapter 11 case.

16. Compensation will be payable to Paul Hastings on an hourly basis, plus reimbursement of actual, necessary expenses incurred by Paul Hastings. In this chapter 11 case, as a courtesy to the Committee and the victims of the derailment, Luc A. Despins will charge half his customary hourly rate, as set forth below² All other timekeepers will charge their customary rates. The timekeepers presently designated to represent the Committee and their current standard hourly rates are:

² To the extent there are objections filed in connection with the approval and allowance of any compensation requested by Paul Hastings, Paul Hastings reserves all its rights to seek approval seek of the fees incurred by Mr. Despins, at his full customary rate, at the final fee hearing.

<u>TIMEKEEPER</u>	<u>STANDARD HOURLY RATE</u>	<u>EFFECTIVE HOURLY RATE IN THIS CASE</u>
Luc A. Despins, Partner	\$1,100.00	\$550.00
Christopher Fong, Associate	\$660.00	\$660.00

Other attorneys and paralegals from Paul Hastings may from time to time also serve the Committee in connection with the matters described herein.

17. Moreover, consistent with the approach adopted by the Québec Government, and as a courtesy to the victims of the derailment, Paul Hastings will not seek to have its fees paid out of the \$25 million liability proceeds of that certain liability insurance policy that the Debtor maintains with XL Insurance Company Ltd.

18. Prior to the being retained by the Committee, Paul Hastings was retained, as of August 22, 2013, to represent the Informal Committee of Québec Claimants in this chapter 11 case. However, that representation terminated on December 9, 2013 and Paul Hastings did not receive any compensation or promise of compensation in connection therewith, except that on 3 occasions the Québec Government offered to pay the sum of CDN\$10,000 per day for Mr. Despins' attendance at meetings in (i) Québec, Canada with victims of the derailment or representatives of such victims, and (ii) Portland, Maine with the Trustee. As of the date of this Application, Paul Hastings had not sought payment of these sums and will not do so if the Court believes that such payment would be inappropriate given the Firm's proposed engagement by the Committee. Paul Hastings will not represent the Informal Committee of Québec Claimants or any of their members in their individual capacity in the Debtor's chapter 11 case.

19. To reflect economic and other conditions, Paul Hastings revises its regular hourly rates periodically in accordance with its established billing practices and procedures. Paul Hastings has requested that, effective as of the date of such revision, the standard rates be revised

to the rates in effect at that time. The Committee consents to Paul Hastings' annual and other periodic hourly rate increases.

20. The Committee has been advised that the standard hourly rates set forth above are Paul Hastings' customary hourly rates for work of this nature and that these rates are set at a level designed to fairly compensate Paul Hastings for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses. The Committee has been advised by Paul Hastings that it is Paul Hastings' policy to charge its clients in all areas of practice for all other expenses incurred in connection with the clients' cases.

21. Paul Hastings has represented to the Committee that Paul Hastings intends to apply to the Court for allowance of compensation for professional services rendered in connection with this chapter 11 case, and to request reimbursement of expenses, in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S. C. section 330, and any administrative orders entered by the Court.

22. Local Rule 2014-3 requires that retention applications set forth a good faith estimate of the anticipated range of fees to be charged in the chapter 11 case, unless the range of fees is impossible to forecast. Based on the circumstances underlying this chapter 11 case and the mass tort matters at issue in this case, a fee range is impossible to forecast.

23. Paul Hastings has advised the Committee that neither Paul Hastings nor any partner, counsel, or associate thereof holds or represents any interest adverse to the Committee in the matters upon which Paul Hastings is to be employed, except as may be set forth in the Despina Affidavit.

24. In the event that Paul Hastings discovers any connections, other than as disclosed in the Despins Affidavit, with any party in interest in the Debtor's chapter 11 case, or any information pertinent to this Application under the requirements of Bankruptcy Rule 2014, Paul Hastings will disclose such connections and information to the Court in a supplement to the Despins Affidavit.

NOTICE

25. Notice of this Application has been given to: (a) the Office of the United States Trustee; (b) counsel to the Debtor; (c) counsel to the Trustee; and (d) those parties requesting notice pursuant to Bankruptcy Rule 2002.

WHEREFORE, the Committee respectfully requests that this Court enter an Order authorizing the Committee to retain and employ the law firm of Paul Hastings, effective as of December 10, 2013, and grant such other and further relief as this Court deems just.

Dated: January 8, 2014

**THE OFFICIAL COMMITTEE OF VICTIMS
APPOINTED IN THE CHAPTER 11 CASE OF
MONTREAL, MAINE & ATLANTIC, LTD.**

/s/ Pierre Paquet_____

Pierre Paquet,
solely in his capacity as Co-Chair of the Committee
and not in his individual capacity.

/s/ Frédéric Maheux_____

Frédéric Maheux, Esq.,
solely in his capacity as Co-Chair of the Committee
and not in his individual capacity.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

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In re :
: **Case. No. 13-10670 (LHK)**
MONTREAL, MAINE & ATLANTIC, :
LTD., : **Chapter 11**
: **Debtor.** :
: :
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**AFFIDAVIT OF LUC A. DESPINS IN SUPPORT OF APPLICATION FOR ORDER,
PURSUANT TO SECTIONS 328, 330, AND 1103 OF BANKRUPTCY CODE,
AUTHORIZING EMPLOYMENT AND RETENTION OF PAUL HASTINGS LLP AS
COUNSEL TO OFFICIAL COMMITTEE OF VICTIMS, EFFECTIVE
AS OF DECEMBER 10, 2013**

COUNTY OF NEW YORK)
) ss:
STATE OF NEW YORK)

Luc A. Despins, being duly sworn, hereby deposes and says:

1. I am a partner in the law firm of Paul Hastings LLP, 75 East 55th Street, New York, New York 10022 (“Paul Hastings”) and am admitted to practice in the State of New York. I submit this affidavit (the “Despins Affidavit”) in support of the Application for Order, Pursuant to Sections 328, 330, and 1103 of the Bankruptcy Code, Authorizing the Employment and Retention of Paul Hastings LLP as Counsel to the Official Committee of Victims, Effective as of December 10, 2013 (the “Application”).¹

Paul Hastings’ Disclosure Procedures

2. Paul Hastings has a large and diversified legal practice that encompasses the representation of many financial institutions and commercial corporations. In preparing this

¹ Capitalized terms used but not defined herein have the meaning ascribed to them in the Application.

Affidavit, I used a set of procedures developed by Paul Hastings to ensure compliance with the requirements of the Bankruptcy Code and the Bankruptcy Rules regarding the retention of professionals (the “Firm Disclosure Procedures”). Pursuant to the Firm Disclosure Procedures, I performed, or caused to be performed, the actions described below to identify Paul Hastings’ connections to parties in interest in these proceedings.

3. In preparing this Affidavit, I submitted or caused to be submitted for review under our conflicts check system the names of various parties in interest in this chapter 11 case (collectively, the “Interested Parties”), as received from counsel to the chapter 11 trustee appointed in this case (the “Trustee”). The results of our conflict check were compiled and analyzed by Paul Hastings attorneys acting under my supervision.

Paul Hastings’ Connections with Interested Parties

4. To the best of my knowledge, based on the review procedures described above, Paul Hastings does not have any “connections” to the Interested Parties, except as described in this Affidavit. Neither the term “connection,” as used in Bankruptcy Rule 2014, nor the proper scope of a professional’s search for “connection” has been defined. Out of an abundance of caution, therefore, I am disclosing many representations that are not, to my understanding, disqualifying or problematic under either the Bankruptcy Code or applicable standards of professional ethics.

5. Neither I, nor any partner, of counsel, or associate of Paul Hastings, as far as I have been able to ascertain, has any connection with the Official Committee of Victims (the “Committee”), the Debtor, the Trustee, or any other Interested Party, except as set forth below or otherwise in this Affidavit:

- a. Attached hereto as Exhibit 1 and incorporated herein by reference is a list of Interested Parties (or their affiliates) whom Paul Hastings represents, or has represented in the past, in matters unrelated to the matters on which

the Committee seeks to retain Paul Hastings. Although Paul Hastings has represented, currently represents, and may continue to represent certain entities and individuals listed on Exhibit 1 hereto, Paul Hastings will not represent any such entity or individual in this chapter 11 case.

- b. Prior to being retained by the Committee, Paul Hastings was retained, as of August 22, 2013, to represent the Informal Committee of Québec Claimants, comprised of (i) the government of the Province of Québec, Canada (the “Québec Government”), (ii) the municipality of Lac-Mégantic, Québec (the “City of Lac-Mégantic”), and (iii) the representatives of a Canadian class action lawsuit consisting of victims of the July 6, 2013 derailment, in the Debtor’s chapter 11 case. However, that representation terminated on December 9, 2013 and Paul Hastings did not receive any compensation or promise of compensation in connection therewith, except that on 3 occasions the Québec Government offered to pay the sum of CDN\$10,000 per day for Mr. Despins’ attendance at meetings in (i) Québec, Canada with victims of the derailment or representatives of such victims, and (ii) Portland, Maine with the Trustee. As of the date of the Application, Paul Hastings had not sought payment of these sums and will not do so if the Court believes that such payment would be inappropriate given the Firm’s proposed engagement by the Committee.
- c. The Québec Government and the City of Lac-Mégantic are current *ex officio* members of the Committee. Paul Hastings will not represent the Informal Committee of Québec Claimants or any of their members in their individual capacity in the Debtor’s chapter 11 case.
- d. Certain Interested Parties may be creditors of existing debtor clients of Paul Hastings or may have been creditors of former clients of Paul Hastings. In addition, certain Interested Parties may have been members of other official creditors’ committees represented by Paul Hastings.
- e. Paul Hastings may have represented in the past, may currently represent, and may in the future represent certain Interested Parties actually or potentially adverse to the Committee, its members, or other unsecured creditors in matters unrelated to this chapter 11 case.

In matters unrelated to this chapter 11 case, Paul Hastings represents, or has represented in the past, in connection with various financial transactions, certain institutions (or their affiliates), including the following:

- JPMorgan Chase Co., and
- General Electric Company.

Paul Hastings will not represent any such parties in the Debtor's chapter 11 case.

- f. As Paul Hastings has discussed with the Committee, the Firm will not represent or advise the Committee in any litigation (including arbitration, mediation, or other adversary proceeding) adverse to the financial institutions that are Interested Parties herein and existing clients of Paul Hastings. In the event of any such dispute, Perkins may represent the Committee, at the Committee's discretion.
- g. Robert J. Keach, the Trustee, serves as the fee examiner in the American Airlines chapter 11 cases (the "AA Cases"). Paul Hastings serves as special counsel to the debtors-in-possession in the AA Cases. Over the past several months, attorneys from Paul Hastings have worked, and continue to work, with the Trustee and his counsel on various fee issues in the AA Cases.
- h. Other than described herein, Paul Hastings does not represent, and has not represented, any entity other than the Committee in this chapter 11 case.
- i. In matters unrelated to this chapter 11 case, Paul Hastings may have worked with professionals that the Trustee, the Debtor, or other parties in interest have retained or are seeking to retain in this case, including attorneys and financial advisors for such parties.
- j. Given the number of attorneys in its various offices, several attorneys at Paul Hastings have professional, working, or social relationships with firms or professionals at firms that may be adverse to the Committee. In addition, several attorneys at Paul Hastings have spouses, parents, children, siblings, fiancés or fiancées who are attorneys at other law firms or companies. Also, certain attorneys at Paul Hastings may have spouses, parents, children, siblings, fiancés or fiancées who are employees of the Debtor or the Committee members. Paul Hastings has strict policies against disclosing confidential information to anyone outside of Paul Hastings, including spouses, parents, children, siblings, fiancés and fiancées.
- k. Paul Hastings has hundreds of attorneys and other employees. It is possible that certain Paul Hastings attorneys or employees hold interests in mutual funds or other investment vehicles that may own interests in the Debtor. Despite the efforts described above to identify and disclose Paul Hastings' connections with parties in interest in this chapter 11 case, Paul Hastings is unable to state with certainty that every client representation or other connection has been disclosed. In this regard, if Paul Hastings discovers additional information that requires disclosure, Paul Hastings will file a supplemental disclosure with the Court.

6. I am not related to and, to the best of my knowledge, no other attorney at Paul Hastings is related to: (a) any United States Bankruptcy Judge for the District of Maine or any of the District Judges for the District of Maine who handle bankruptcy cases; or (b) the United States Trustee for the District of Maine, or any person employed by the Office of such United States Trustee.

7. To the best of my knowledge, information, and belief formed after reasonable inquiry, Paul Hastings is a “disinterested person” as that term is defined in section 101(14) of the Bankruptcy Code in that Paul Hastings:

- a. is not a creditor, equity security holder, or insider of the Debtor;
- b. is not and was not, within 2 years before the date of the filing of the petition, a director, officer, or employee of the Debtor; and
- c. does not have an interest materially adverse to the interest of the estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtor, or for any other reason.

8. Based on the foregoing and except as provided herein, to the best of my knowledge, information and belief formed after reasonable inquiry, Paul Hastings does not: (a) represent or hold any interest adverse to the Committee with respect to the matters on which the Committee seeks to employ Paul Hastings; or (b) have any connection with the Debtor, any creditors or other parties in interest, their respective attorneys and accountants, the United States Trustee for the District of Maine, or any person employed by the Office of such United States Trustee.

Compensation

9. Paul Hastings intends to apply for compensation for professional services rendered in connection with this case subject to approval of this Court and in compliance with

applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any administrative order entered by this Court, on an hourly basis, plus reimbursement of actual, necessary expenses and other charges incurred by Paul Hastings.

10. Compensation will be payable to Paul Hastings on an hourly basis, plus reimbursement of actual, necessary expenses incurred by Paul Hastings. In this chapter 11 case, as a courtesy to the Committee and the victims of the derailment, I will charge half my customary hourly rates, as set forth below.² All other timekeepers will charge their customary rates. The timekeepers presently designated to represent the Committee and their current standard hourly rates are:

<u>TIMEKEEPER</u>	<u>STANDARD HOURLY RATE</u>	<u>EFFECTIVE HOURLY RATE IN THIS CASE</u>
Luc A. Despins, Partner	\$1,100.00	\$550.00
Christopher Fong, Associate	\$660.00	\$660.00

Other attorneys and paralegals from Paul Hastings may from time to time also serve the Committee in connection with the matters described herein.

11. Consistent with the approach adopted by the Québec Government, and as a courtesy to the victims of the derailment, Paul Hastings will not seek to have its fees paid out of the \$25 million liability proceeds of that certain liability insurance policy that the Debtor maintains with XL Insurance Company Ltd.

12. To reflect economic and other conditions, Paul Hastings revises its regular hourly rates periodically in accordance with its established billing practices and procedures. Paul Hastings has requested that, effective as of the date of such revision, the standard rates be revised

² To the extent there are objections filed in connection with the approval and allowance of any compensation requested by Paul Hastings, Paul Hastings reserves all its rights to seek approval seek of the fees I have incurred, at my full customary rate, at the final fee hearing.

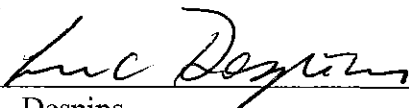
to the rates in effect at that time. The Committee consents to Paul Hastings' annual and other periodic hourly rate increases.

13. The Committee has been advised that the standard hourly rates set forth above are Paul Hastings' customary hourly rates for work of this nature and that these rates are set at a level designed to fairly compensate Paul Hastings for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses.

14. Paul Hastings has not received a retainer in connection with this chapter 11 case.

15. No promises have been received by Paul Hastings, nor by any of its partners, counsels, or associates as to compensation in connection with this case other than in accordance with the provisions of the Bankruptcy Code. Paul Hastings has no agreement with any other entity to share with such entity any compensation received by Paul Hastings in connection with this chapter 11 case.

In accordance with Local Rule 2014-1(b), I certify under penalty of perjury that the foregoing is true and correct.



Luc A. Despina

Sworn to me this 8th day of January, 2014.



Notary Public
My commission expires

JOCELYN C KUO
Notary Public, State of New York
No. 01KU6292945
Qualified in Queens County
Commission Expires 11/12/2017

EXHIBIT 1

**Interested Parties or Their Affiliates Whom Paul Hastings Represents
or Has Represented in the Past in Matters Unrelated to this
Chapter 11 Case**

INTERESTED PARTY OR ITS AFFILIATE	RELATIONSHIP TO THE DEBTORS	CLIENTS AND THEIR AFFILIATES
Atlantic Specialty Insurance Company	Party-In-Interest	Not a client. Related entity, Commercial Union Ins. Companies, now known as OneBeacon America Insurance Company, is a former client of the Firm (last matter closed 3/29/1993). ¹
CIT Group, Inc.	Party-In-Interest	Former client (last matter closed 4/2/2013).
First Union Rail	Party-In-Interest	Not a client. Related entities of parent Wells Fargo & Co. are current clients.
Indian Harbor Insurance Company	Party-In-Interest	Not a client. Related entities to parent XL Capital Ltd. are former clients (last matter closed 11/19/2008).
J. M. Huber Corporation	Party-In-Interest	Former client (last matter closed 2/28/2003).
Midwest Railcar Corporation	Party-In-Interest	Not a client. Related entities of parent Marubeni Corporation are current clients.
Progress Rail Services Corporation	Party-In-Interest	Not a client. Related entities of parent Caterpillar Inc. are current clients.
Surface Transportation Board	Party-In-Interest	Not a client. Related entities of parent United States of America are current Firm clients.
Travelers Property Casualty Company of America	Party-In-Interest	Not a client. Parent Travelers Companies Inc. and related entities are former clients (last matter closed 9/1/2009).
United States of America	Party-In-Interest	Related entities of parent United States of America are current Firm clients.

¹ Paul Hastings LLP is referred to herein as the “Firm”.

XL Insurance Company, Ltd.	Party-In-Interest	Not a client. Related entities of parent XL Capital Ltd. are former clients (last matter closed 11/19/2008).
AT&T Corporation	Party-In-Interest	Current client.
Aetna Inc.	Party-In-Interest	Former client. Related entities also are former clients (last matter closed 10/29/2013).
Airgas East	Party-In-Interest	Not a client. Related entities of parent Airgas Inc. are former clients (last matter closed 1/28/2011).
Airgas USA, LLC	Party-In-Interest	Not a client. Related entities of parent Airgas Inc. are former clients (last matter closed 1/28/2011).
Airtek	Party-In-Interest	Current client.
AllFirst Bank c/o Midwest Railcar Corporation	Party-In-Interest	AllFirst Bank - not a client. Midwest Railcar Corporation - not a client. Related entities of parent Marubeni Corporation are current clients.
American Express	Party-In-Interest	Former client. Related entities also are former clients (last matter closed 2/3/2004).
American Express Travel Related Services	Party-In-Interest	Not a client; parent American Express and related entities are former clients (last matter closed 2/3/2004).
Attorney General of Canada	Party-In-Interest	Attorney General of Canada (Peter MacKay) -- Not a client. A related entity of the Government of Canada is a current client.
BNSF Railway Company	Party-In-Interest	Former client (last matter closed 2/28/2000). Related entities of parent Berkshire Hathaway, Inc. are current clients.
Barker, Steven	Party-In-Interest	A "Steven J. Barker" is a co-client in a confidential matter.
Bell Canada	Party-In-Interest	Not a client. Related entity of parent BCE Inc. is a former client (matter closed 12/29/1992).

Bell Mobility	Party-In-Interest	Not a client. Related entity of parent BCE Inc. is a former client (matter closed 12/29/1992).
Belt Railway Co. of Chicago	Party-In-Interest	<p>Not a client. However, this entity is co-owned by 6 companies:</p> <p>BNSF Railway – Former client (last matter closed 2/28/2000). Related entities of parent Berkshire Hathaway, Inc. are current clients.</p> <p>Canadian National Railway – former client (matter closed 10/2/12).</p> <p>Canadian Pacific Railway – Not a client.</p> <p>CSX Transportation – current client.</p> <p>Norfolk Southern Railway – Not a client. Norfolk Southern Corporation is a former client (last matter closed 9/10/2010).</p> <p>Union Pacific Railroad – current client.</p>
Burlington Northern Santa Fe	Party-In-Interest	<p>The Burlington Northern & Santa Fe Railway Co. (aka BNSF) is a former client (last matter closed 2/28/2000). Related entities of parent Berkshire Hathaway, Inc. are current clients.</p>
Cameron, Richard	Party-In-Interest	<p>A “Richard Cameron” is a former client of the Firm (matter closed 3/26/19930.</p>

Campbell, Robert	Party-In-Interest	A "C. Robert Campbell" is a former client (matter closed 6/4/1999). A "Robert M. Campbell" is a former client of the Firm (matter closed 6/19/2007).
Canadian National	Party-In-Interest	Former client (matter closed 10/2/12).
Canadian National Railways	Party-In-Interest	Former client (matter closed 10/2/12).
Canadian Transportation Agency	Party-In-Interest	Not a client. A related entity of the Government of Canada is a current client.
Central Maine Power	Party-In-Interest	Not a client. Related entities of parent Iberdrola SA are former clients (last matter closed 3/27/2012).
Clean Harbors Environmental Svcs.	Party-In-Interest	Not a client. A related entity and the parent Clean Harbors, Inc. are current clients.
Comcast Cable Communications	Party-In-Interest	Not a client. Related entities of parent Comcast Holdings are former clients (last matter closed 11/8/2013).
Communication Plus	Party-In-Interest	Former client (last matter closed 1/9/2003).
Covington & Burling	Party-In-Interest	Former client (last matter closed 9/22/2009).
Dell Canada	Party-In-Interest	Not a client. Related entities and parent Dell Inc. are current clients.
Dell Financial Services	Party-In-Interest	Not a client. Related entities and parent Dell Inc. are current clients.
Dell Marketing L.P. (c/o Dell USA L.P.)	Party-In-Interest	Not a client. Related entities and parent Dell Inc. are current clients.
Durox Company	Party-In-Interest	Not a client. Related entities to parent Wabtec Corporation are former clients (last matter closed 6/13/1997).
Enterprise Fleet Services (Attn: Cathie Kenefick)	Party-In-Interest	Not a client. Related entities to parent Crawford Group are current clients.

Enterprise Rent-A-Car	Party-In-Interest	Enterprise Holdings, Inc. (fka Enterprise Rent-A-Car) is a current client. Related entities to parent Crawford Group are current clients.
Euler Hermes North America Insurance Co.	Party-In-Interest	Not a client. Related entities to parent Allianz SE are current clients.
FCM Rail, Ltd	Party-In-Interest	Not a client. Related entities of parent Caterpillar Inc. are current clients.
FairPoint - Bebee Spur	Party-In-Interest	Not a client. Related entities and parent FairPoint Communications are current clients.
FairPoint Communications	Party-In-Interest	Current client.
FedEx	Party-In-Interest	Related entities to parent FedEx Corp. are former clients (last matter closed 1/4/2002).
Federal Railroad Administration	Party-In-Interest	Not a client. Related entities of parent United States of America are current Firm clients.
First Union Rail	Party-In-Interest	Not a client. Related entities of parent Wells Fargo & Co. are current clients of the Firm.
Four Points Sheraton	Party-In-Interest	Not a client. Related entities to parent Starwood Capital are current clients.
GATX Corporation	Party-In-Interest	Current client.
GE Transportation Parts, LLC	Party-In-Interest	Not a client. Related entities and parent General Electric Co. are current clients.
Gould, Charles	Party-In-Interest	Former client (last matter closed 5/6/2003).
Gowling Lafleur Henderson LLP	Party-In-Interest	Former client (last matter closed 12/28/2006).
Grand Elk Railroad	Party-In-Interest	Not a client. Related entities to parent Kinder Morgan Inc. are former clients (last matter close date 5/26/2005).

Grand Trunk Western	Party-In-Interest	Not a client. Related entities to parent Canadian National RailRoad Co. are former clients (last matter closed 10/2/2012).
Great Northern Paper	Party-In-Interest	Former client (last matter closed 3/30/1993).
Harsco Technologies	Party-In-Interest	Not a client. Related entities to parent Harsco Corp. are former clients (last matter closed 2/7/2012).
Hulcher Services	Party-In-Interest	Not a client. Related entities to parent Hulcher Corp. are former clients (last matter closed 5/7/2007).
Hydro Quebec	Party-In-Interest	Not a client. Related entities to parent Government of Quebec are former clients (last matter closed 6/30/2009).
Internal Revenue Service	Party-In-Interest	Not a client. Related entities of parent United States of America are current Firm clients.
J.M. Huber Corp.	Party-In-Interest	Former client (last matter closed 2/28/2013).
JP Morgan Chase Bank	Party-In-Interest	Current client. Related entities, parent JPMorgan Chase Co. are current clients.
Levasseur's Hardware	Party-In-Interest	Not a client. Related entities to parent TruServ Corp. are former clients (last matter closed 5/10/2007).
LexisNexis Screening Solutions	Party-In-Interest	Not a client. A related entity of parent Reed Elsevier Group PLC is a current client.
Louisiana-Pacific Corporation	Party-In-Interest	Former client (last matter closed 3/29/1993).
Medisys	Party-In-Interest	Former client (last matter closed 7/20/2009).
Mid-Michigan Railroad	Party-In-Interest	Not a client. A related entity, California Northern Railroad Company LP, was a co-client (last matter closed 8/7/2008).

Midwest Railcar Corp. c/o Bank of Edwardsville	Party-In-Interest	Midwest Railcar Corp. - not a client. Related entities and parent Marubeni Corporation are current clients. Bank of Edwardsville – not a client.
Minister of Revenue of Quebec	Party-In-Interest	Not a client. Government of Quebec is a former client (last matter closed 6/30/2009).
Ministere De La Justice Du Quebec	Party-In-Interest	Not a client. Government of Quebec is a former client (last matter closed 6/30/2009).
Ministere De Le Securite Publique	Party-In-Interest	Not a client. Government of Quebec is a former client (last matter closed 6/30/2009).
Ministere Du Developpement Durable	Party-In-Interest	Not a client. Government of Quebec is a former client (last matter closed 6/30/2009).
Ministere De La Justice Du Canada	Party-In-Interest	Not a client. A related entity of parent Government of Canada is a current client.
New England Central Railroad	Party-In-Interest	Not a client. A related entity, California Northern Railroad Company LP, was a co-client (last matter closed 8/7/2008).
New England Detroit	Party-In-Interest	Not a client. A related entity to parent Daimler AG is a current client.
Nordco Rail Services, LLC	Party-In-Interest	Not a client. A related entity, Ryan Herco Products Corporation, is a former client (last matter closed 6/28/2010).
Nordco, Inc.	Party-In-Interest	Not a client. A related entity, Ryan Herco Products Corporation, is a former client (last matter closed 6/28/2010).
Norfolk Southern Railway Company (Attn: William H. Johnson, Esq.)	Party-In-Interest	Norfolk Southern Railway Company -- Not a client; Norfolk Southern Corporation is a former client (last matter closed 9/10/2010). William H. Johnson, Esq. – Not a client.

North Country Cable/now Comcast	Party-In-Interest	Not a client. Related entities to parent Comcast Holdings Corporation are former clients (last matter closed 11/8/2013).
Office of U.S. Attorney	Party-In-Interest	Not a client. Certain related entities of the United States of America are current clients.
Office of U.S. Trustee	Party-In-Interest	Not a client. Certain related entities of the United States of America are current clients.
Payflex Systems USA, Inc.	Party-In-Interest	Not a client. Related entities and parent Aetna Inc. are former clients (last matter closed 10/29/2013).
Penn Machine Company	Party-In-Interest	Not a client. Related entities to parent Berkshire Hathaway Inc. are current clients.
Petroles R. Turmel Inc.	Party-In-Interest	Not a client. Related entities and parent Exxon Mobil Corporation are former clients (last matter closed 7/29/2011).
Plum Creek Timber	Party-In-Interest	Plum Creek Timber Company Inc. and related entities are former clients (last matter closed 4/10/2006).
Portland Cellular Partnership a/k/a Verizon Wireless	Party-In-Interest	Portland Cellular Partnership - Not a client. Verizon Wireless - current client. Related entities and parent Verizon Communications are also current clients.
Praxair	Party-In-Interest	Former client. A related entity is a current client.
Progress Rail Leasing (c/o Richard Campbell)	Party-In-Interest	Not a client. Related entities to parent Caterpillar Inc. are current clients.
Province of Quebec	Party-In-Interest	Government of Quebec is a former client (last matter closed 6/30/2009).
Railcar Management, Inc.	Party-In-Interest	Not a client. Related entities and parent General Electric Company Inc. are current clients.

Raillnc Corp.	Party-In-Interest	Not a client. Parent Association of American Railroads is a current client.
Reliance Standard Life	Party-In-Interest	Not a client. A related entity to parent Millea Holdings Inc. is a current client.
Rochester & Southern Railroad	Party-In-Interest	Not a client. A related entity, California Northern Railroad Company LP was a co-client (last matter closed 8/7/2008).
Roynat Inc.	Party-In-Interest	Not a client. Related entities to parent Bank of Nova Scotia are current clients.
Schmidt, Robert	Party-In-Interest	<p>Schmidt, Robert is a former client (last matter closed 9/19/2000).</p> <p>Schmidt, Robert R. is a former client (last matter closed 3/12/1993).</p> <p>Schmidt, Robert A. is a former client (last matter closed 7/24/2012).</p> <p>Schmidt, Robert R. is a former client (last matter closed 3/25/1993).</p>
Securitas Security Services USA	Party-In-Interest	Not a client. Related entities to parent Securitas AB are former clients (last matter closed 12/12/2001).
SimplexGrinnell	Party-In-Interest	Not a client. Related entities to parent Tyco International Ltd. are former clients (last matter closed 6/16/2008.)
Smith, Larry	Party-In-Interest	A Larry Smith is a former client (last matter closed 12/21/1992).
St. Lawrence & Atlantic RR	Party-In-Interest	Not a client. A related entity, California Northern Railroad Company LP, was a co-client (last matter closed 8/7/2008).

Standard Car Truck Co.	Party-In-Interest	Not a client. Related entities to parent Wabtec Corporation are former clients (last matter closed 6/13/1997).
Telephone Operating Co. of Vermont	Party-In-Interest	Not a client. Related entities and parent FairPoint Communications Inc. are current clients.
Tesco	Party-In-Interest	Related entities of Tesco PLC are former clients (last matter closed 5/27/2010)
Thomas, Robert	Party-In-Interest	A Robert C. Thomas is a current client.
Time Warner Cable of Maine	Party-In-Interest	Not a client. Parent Time Warner Cable Inc. is a current client.
Triangle Engineered Products (c/o WABCO)	Party-In-Interest	Not a client. Related entities to parent Wabtec Corporation are former clients (last matter closed 6/13/1997).
UPS	Party-In-Interest	Current client. Related entities are also current clients.
United Parcel Service c/o Receivable Management Services	Party-In-Interest	Current client. Related entities are also current clients. Receivable Management Services is not a client. This entity is a portfolio company of Huntsman Gay Global Capital LLC and Citi Venture Capital Management. A related entity on the Huntsman Gay Global Capital LLC hierarchy, Intellirisk Management Corporation, was a former client (last matter closed 11/30/2005). Related entities of parent Citigroup Inc. are current clients.
Valero Marketing & Supply	Party-In-Interest	Not a client. Related entities to parent Valero Energy Corporation are former clients (last matter closed 11/4/2008).

Verizon Wireless	Party-In-Interest	Current client. Related entities and parent Verizon Communications are also current clients.
Vermont Electric Power	Party-In-Interest	Not a client. Related entities to parent Caisse de Depot et Placement du Quebec are current clients.
Verso Paper	Party-In-Interest	Not a client. Related entities to parent Apollo Management LP are current clients.
Videotron Ltee	Party-In-Interest	Not a client. Related entities to parent Quebecor Inc. are former clients (last matter closed 5/31/2002).
Wabtec Global Services	Party-In-Interest	Not a client. Related entities to parent Wabtec Corporation are former clients (last matter closed 6/13/1997).
Western Petroleum Company	Party-In-Interest	Not a client. Parent World Fuel Services Corporation is a current client.
Wisconsin Central	Party-In-Interest	Not a client. Parent Canadian National Railway Co. is a former client (last matter closed 10/2/2012).

World Fuel Services Corporation	Party-In-Interest	<p>Current client. The amount that the Firm billed to World Fuel Services Corporation during the current fiscal year constitutes approximately .01% of the Firm's total annual revenue to date. For the prior fiscal year, the amount the Firm billed to World Fuel Services Corporation constituted less than 0.01% of the Firm's annual revenue.</p> <p>The Firm did not represent World Fuel Services Corporation prior to December 19, 2012.</p> <p>World Fuel Services Corporation has agreed to execute a waiver which is being documented.</p>
Wright Express	Party-In-Interest	Wright Express, now known as WEX, is a current client.
XL Group Insurance Company	Party-In-Interest	Not a client. Related entities to parent XL Capital Ltd. are former clients (last matter closed 11/19/2008).
YRC Freight (c/o RMS Bankruptcy Recovery Services)	Party-In-Interest	<p>YRC Freight - Not a client. Parent YRC Worldwide Inc. and related entities are former clients (last matter closed 4/12/2007).</p> <p>RMS Bankruptcy Recovery Services – Not a client.</p>
YRC Inc. c/o RMS Bankruptcy Recovery Services	Party-In-Interest	<p>Not a client. Parent YRC Worldwide Inc. and related entities are former clients (last matter closed 4/12/2007).</p> <p>RMS Bankruptcy Recovery Services – not a client.</p>
Bernstein, Shur, Sawyer & Nelson	Trustee's Counsel	Please see paragraph 5 of Despina Affidavit.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

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In re :
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MONTREAL, MAINE & ATLANTIC, : **Bk. No. 13-10670-LHK**
LTD., : **Chapter 11**
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Debtor. :
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**ORDER AUTHORIZING EMPLOYMENT AND RETENTION OF PAUL HASTINGS
LLP AS COUNSEL TO OFFICIAL COMMITTEE OF VICTIMS PURSUANT TO
SECTIONS 328, 330, AND 1103 OF BANKRUPTCY CODE,
EFFECTIVE AS OF DECEMBER 10, 2013**

Upon consideration of the application (the “Application”) of the Official Committee of Victims (the “Committee”) appointed in the above-captioned chapter 11 case for an order pursuant to section 328, 330, and 1103 of the Bankruptcy Code, authorizing the retention and employment of Paul Hastings LLP (“Paul Hastings”), effective as of December 10, 2013, as counsel to the Committee; and upon the affidavit of Luc A. Despins (the “Despins Affidavit”), a partner in the firm of Paul Hastings, in support thereof; and the Court being satisfied based on the representations made in the Application and the Despins Affidavit that Paul Hastings represents no interest that is adverse to the Committee with respect to the matters on which the firm is to be engaged, that the firm is a disinterested person as that term is defined under section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code; and that the firm’s employment is necessary and in the best interests of the Committee and its members; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED:

1. The Application is granted and approved.

2. In accordance with sections 328, 330, and 1103 of the Bankruptcy Code, the Committee is authorized to employ and retain Paul Hastings as its attorneys on the terms set forth in the Application and the Despina Affidavit, effective as of December 10, 2013.

3. Paul Hastings shall be entitled to allowance of compensation and reimbursement of expenses, upon the filing and approval of interim and final applications pursuant to the Bankruptcy Rules, the Local Rules of this Court, and such other orders as the Court may direct.

4. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: _____, 2014

THE HONORABLE LOUIS H. KORNREICH
UNITED STATES BANKRUPTCY JUDGE