

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

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In re)	Chapter 11	
)	Case No. 13-10670	
MONTREAL MAINE & ATLANTIC)		
RAILWAY, LTD.)		
)		
Debtor.)		
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LIMITED OBJECTION OF THE UNITED STATES TRUSTEE TO APPLICATION FOR ORDER, PURSUANT TO SECTIONS 327 AND 328 OF THE BANKRUPTCY CODE, AUTHORIZING THE EMPLOYMENT OF KUGLER KANDESTIN, LLP AS SPECIAL COUNSEL FOR THE TRUSTEE NUNC PRO TUNC TO AUGUST 21, 2013

The United States Trustee, by and through his undersigned counsel, hereby submits this Limited Objection to the Application for Order, Pursuant to Sections 327 and 328 of the Bankruptcy Code, Authorizing the Employment of Kugler Kandestin, LLP LLP, as Special Counsel for the Trustee *Nunc Pro Tunc* to August 21, 2013 (the "Motion"). For his Limited Objection, the United States Trustee states as follows:

1. The United States Trustee does not object to the concept of the Trustee, Robert Keach (the "Trustee"), retaining Kugler Kandestin, LLP ("Kugler"), as Special Counsel in connection with the above-captioned chapter 11 case of Montreal Maine & Atlantic Railway, Ltd. (the "Debtor").

2. However, the United States Trustee does object to Kugler's retention under section 328 of the Code, to the extent that retention under this section could be construed to excuse Kugler from submitting its fees and expenses incurred in this case for court review in accordance with 11 U.S.C. § 330.

3. Kugler and the Trustee have agreed that Kugler's fees and costs in this case will be reviewed for reasonableness in accordance with the applicable provisions of the Bankruptcy Code, the Fed. R. Bankr. P., the Local Rules, the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330, and any applicable orders of the Court.

4. The existing Order, however, does not include any reference to such a review of Kugler's fees and costs. In order to avoid any ambiguity relating to this issue, the United States Trustee, the Trustee, and Kugler submit the agreed-to form of Order attached as **Exhibit A**, which memorializes fully Kugler's agreement to submit its invoices in this case to the Court for a reasonableness review in accordance with the applicable provisions of the Bankruptcy Code, the Fed. R. Bankr. P., the Local Rules, the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330, and any applicable orders of the Court.

WHEREFORE, the United States Trustee requests that the Motion be granted, in accordance with the terms of the proposed, consented-to Order attached hereto as **Exhibit A**.

Dated at Portland, Maine this 3rd day of September, 2013.

Respectfully submitted,

William K. Harrington
United States Trustee

By: /s/ Jennifer H. Pincus
Jennifer H. Pincus Esq.
Trial Attorney
United States Department of Justice
Office of United States Trustee
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Portland, ME 04101
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CERTIFICATE OF SERVICE

I, Jennifer H. Pincus, being over the age of eighteen and an employee of the United States Department of Justice, U.S. Trustee Program, hereby certify that on September 3, 2013, I electronically filed the above *Limited Objection of the United States Trustee to Application for Order, Pursuant to Sections 327 and 328 of the Bankruptcy Code, Authorizing the Employment of Kugler Kandestin, LLP as Special Counsel for the Trustee Nunc Pro Tunc to August 21, 2013* and this *Certificate of Service*, which were served upon each of the parties set forth on this Service List via U.S. mail, postage prepaid, on September 3, 2013.

All other parties listed on the Notice of Electronic Filing have been served electronically.

Dated at Portland, Maine this 3rd day of September, 2013.

/s/ Jennifer H. Pincus

Service List:

N/A

**NITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE**

In re:

MONTREAL MAINE & ATLANTIC
RAILWAY, LTD.

Debtor.

Bk. No. 13-10670
Chapter 11

**ORDER GRANTING AMENDED APPLICATION FOR ORDER, PURSUANT TO
SECTIONS 327 AND 328 OF THE BANKRUPTCY CODE,
AUTHORIZING THE EMPLOYMENT OF KUGLER KANDESTIN, LLP AS
SPECIAL COUNSEL FOR THE TRUSTEE**

Upon consideration of Robert J. Keach's (the "Trustee") Amended Application for Order, Pursuant to Sections 327 and 328 of the Bankruptcy Code, Authorizing the Employment of Kugler Kandestin, LLP As Special Counsel for the Trustee (the "Amended Application"), and upon consideration of the Affidavit of Gerald F. Kandestin (the "Kandestin Affidavit") and it satisfactorily appearing that attorney Gerald F. Kandestin and the firm of Kugler Kandestin, LLP ("Kugler Kandestin") do not represent or hold any interest adverse to the Debtor or the estate in the matters upon which Kugler Kandestin is to be engaged, and it satisfactorily appearing that the employment of Kugler Kandestin will be in the best interest of the Trustee and the Debtor's estate, it is hereby **ORDERED**, **ADJUDGED** and **DECREED** as follows:

1. The Amended Application is granted.
2. The Trustee be and hereby is authorized to employ Kugler Kandestin as his special counsel in all matters which require the services of such counsel on the terms set forth in the Amended Application.
3. Service of the Amended Application, the Kandestin Affidavit and proposed order

was sufficient notice to parties under the circumstances of the Case.¹

4. The legal services rendered or to be rendered by Kugler Kandestin may include legal services relating to (i) all matters of Canadian law and procedure pertaining to the Case, and (ii) all matters of interest to the Trustee under the Canadian Case.

5. Kugler Kandestin shall apply to the Court for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Case in accordance with the applicable provisions of the Bankruptcy Code, the Fed. R. Bankr. P., the Local Rules, the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330, and any applicable orders of the Court.

6. In determining the amount of reasonable compensation to be awarded to Kugler Kandestin, the Court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors including those enumerated in 11 U.S.C. § 330.

Dated:

The Honorable Louis H. Kornreich
U. S. Bankruptcy Judge, District of Maine

SEEN AND AGREED TO:

William K. Harrington, United States Trustee

By: /s/ Stephen G. Morrell
Stephen G. Morrell, Assistant U.S. Trustee

Robert J. Keach, Trustee

By: /s/ Michael A. Fagone
Michael A. Fagone, Attorney for the Chapter 11 Trustee, Robert Keach

¹ Capitalized terms not specifically defined herein shall have the meaning ascribed to such terms in the Amended Application.