
Richter to organize information sessions in Lac-Mégantic

Status of the Montreal Maine & Atlantic Canada Co. file

January 27, 2015 – Montréal (Quebec) – Richter, in its capacity as Monitor, has announced that it will hold information sessions between February 1 and March 31, 2015, in Lac-Mégantic to inform the public about the progress of the Montreal Maine & Atlantic Canada Co. (“MMA”) file and the terms of the victims compensation plan (“Plan”). The main purpose of the Plan is the distribution of funds that as of January 12, 2015, have been committed to by various defendants, either in the class action file or in proceedings instituted in the United States, which will be used to create an indemnity fund for the derailment victims. At a creditors' meeting, to be scheduled for the end of March 2015, the victims or their designated representatives will be called upon to vote on the Plan. The Plan, which will be submitted for approval, is being finalized in conjunction with the Class Action representatives and the Government of Quebec. The Plan is expected to be officially filed in the coming weeks.

In the meantime, all additional contribution offers, which may be submitted by parties that have not yet committed to contributing to the indemnity fund, will be considered. In the event that these parties maintain their current stance and do not contribute to the indemnity fund, the class action and the proceedings brought by American lawyers against them will continue.

Richter expects to submit the Plan for approval by the Canadian and American courts in April 2015. The distribution to the various victims of the contents of the indemnity fund, currently approximating \$207.8M, as well as any additional amounts that may be contributed, should take place in August 2015.

History of the Montreal Maine & Atlantic Canada Co. file

After the tragedy on July 6, 2013 in Lac-Mégantic, Montreal Maine & Atlantic Canada Co. and Montreal Maine & Atlantic Railway Ltd. placed themselves respectively under the protection of the *Companies' Creditors' Arrangement Act* (“CCAA”) in Canada and Chapter 11 of the *United States Bankruptcy Code* in the United States. The purpose of this step, beyond the maintenance of railway operations and jobs, as well as the sale of the companies' property, was to enable the American trustee and Canadian lawyers for the companies, namely Gowlings, as well as Richter, in the capacity of Monitor and its lawyers, Woods, to create a compensation fund for the victims in a structured and supervised process that would be much quicker than years of litigation in Canada and the United States.

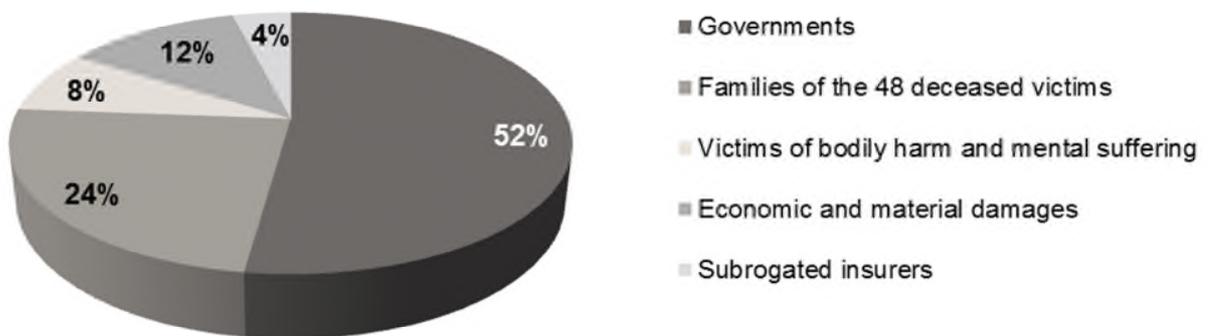
In this regard, discussions began in August 2013 with the various defendants in the class action case, as well as with those in suits for damages brought in the United States, in order to gauge their interest in

contributing to an indemnity fund in exchange for receiving releases from all litigation in Canada and the United States. Throughout the process, the involvement of the Class Action representatives, the American lawyers, and the Government of Quebec has been crucial to the rapid and efficient progress of the file to the benefit of the victims.

On January 12, 2015, the Hon. Gaétan Dumas, Superior Court judge, who presides over all MMA proceedings under the CCAA, issued an order extending the stay of protection under the CCAA until May 15, 2015. This extension was necessary to provide the time required to complete agreements with the various parties that have committed to contributing to the indemnity fund, to finalize, in conjunction with Class Action representatives, American lawyers and representatives of the Government of Quebec, the definitive version of the Plan to be presented to victims.

On January 12, 2015, the committed contributions which stood at around \$207.8M do not necessarily represent the total contribution amount from which victims will ultimately benefit because, as of that date, certain major stakeholders had not committed to contributing to the indemnity fund.

The compensation fund, if approved, could allow for the following partial distribution between the creditors:



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