

CANADA
PROVINCE OF QUEBEC
DISTRICT OF SAINT-FRANÇOIS
No.: 450-11-000167-134

SUPERIOR COURT
(Commercial Division)
The Companies' Creditors Arrangement Act

**IN THE MATTER OF THE PLAN OF
ARRANGEMENT WITH RESPECT TO:**

**MONTREAL, MAINE & ATLANTIC CANADA CO.
(MONTREAL, MAINE & ATLANTIQUE CANADA
CIE)**, a legal person duly incorporated under the
laws of the province of Nova Scotia, having a place
of business at 1, Place Ville Marie, 37th Floor,
Montreal, Quebec H3B 3P4 (at the offices of its
attorney ("fondé de pouvoir"))

Petitioner

-and-

**RICHTER ADVISORY GROUP INC. (RICHTER
GROUPE CONSEIL INC.)** a duly incorporated legal
person having its principal place of business at
1981 McGill College, 12th Floor, in the city and
district of Montreal, Quebec, H3A 0G6

Monitor

**TWELFTH REPORT OF THE MONITOR
ON THE STATE OF PETITIONER'S FINANCIAL AFFAIRS
July 18, 2014**

INTRODUCTION

1. On August 6, 2013, Montreal, Maine & Atlantic Canada Co. (hereafter in this Report "MM&A" or "Petitioner") filed with the Quebec Superior Court a Motion for the Issuance of an Initial Order ("Motion") pursuant to Section 11 of the Companies' Creditors Arrangement Act, R.S.C. 1985, C-36, as amended (the "CCAA"). On August 8, 2013, the Honourable Martin Castonguay, J.S.C., issued an initial order (the "Initial Order"), which inter alia appointed Richter Advisory Group Inc. ("Richter") as Monitor (the "Monitor").

2. We refer to the Monitor's prior reports for an overview of the CCAA proceedings and a summary of all motions issued and orders granted to date.
3. Capitalized terms not defined in this Report have the meaning ascribed thereto in the Monitor's previous reports and all amounts reflected in this report are stated in Canadian currency unless otherwise noted.
4. The purpose of this Twelfth Report of the Monitor is to provide the Court and the creditors with a preliminary overview of the proofs of claim filed in the CCAA proceedings pursuant to the claims process approved by the Court.

CLAIMS PROCESS

5. As discussed in the Monitor's Eleventh Report, the Court had approved a Claims Bar Date of June 13, 2014 for all creditors. The Court subsequently approved an extension of the Claims Bar Date to July 14, 2014 solely in respect of Wrongful Death Victims. As defined in the Amended Claims Procedure Order, Wrongful Death Victims means the estate of the persons deceased as a result of the Derailment, their successor, spouse or common law partner, child, grandchild, parent, grandparent and sibling.
6. As mentioned in the Monitor's Eleventh Report, the Monitor is in the process of preparing a database of all proofs of claim filed with the Monitor. While no detailed review of the claims has yet occurred, the Monitor nevertheless wishes to provide the following summary of the claims which have been filed as a response to the request of certain creditors:

Montreal Maine & Atlantic Canada Co.			
Summary of Claims Register		Filed in CCAA	
Type of Claim	Annex	# of claims	Amount
Wrongful Death Victims ¹	1	342	\$ 216,270,000
Bodily Injury	2	19	3,347,000
Economic, Material or Other Damages - Personal	3A	4,509	877,301,000
Economic, Material or Other Damages - Business	3B	195	38,092,000
Subrogated Insurers	4	8	33,701,000
Government or Municipality	5	4	708,467,000
Contribution or Indemnity	6	37	unliquidated
Claims other than Derailment Claims	7	41	38,962,000
		5,155	\$ 1,916,140,000
Less: Adjustment for claims with more than one annex		(357)	NA
Preliminary Total		4,798	\$ 1,916,140,000


¹ Includes the protective claim filed by the Class Representatives pursuant to the Representation Order.

7. The following should be noted with respect to the foregoing summary as it may affect the total amount of the claims which have been filed:
- The amounts described in the summary are prior to any reduction for amounts that creditors may have received from their insurers, from government assistance programs or other financial aid and which amounts, if any, should have been deducted by the creditors from their individual claims;
 - Claims are being reviewed to identify duplicate claims that may have been filed by individual creditors and by the Class Representatives acting on their behalf;
 - Government or Municipality claims may overlap and thus the actual total net amount of damages claimed by those entities may differ from the amount shown in the summary;
 - Certain of the claims filed are unliquidated and the eventual amount of these claims cannot be determined at this date;
 - Calculation or classification errors in the preparation of the claim forms by the claimants/creditors may result in changes to the amounts being claimed or in claims being reclassified.
8. We also caution that the above summary is not an acknowledgment of any kind that the claims which have been filed are allowable or that those claims are complete, accurate or valid.
9. The above summary of claims does not include an indemnity claim filed by the Chapter 11 Trustee in the approximate amount of US\$1.55 billion in respect of claims including, but not limited to, wrongful death claims against Montreal Maine & Atlantic Railway Ltd. arising out of the derailment.
10. Based on all of the foregoing, we caution that the final value of the claims filed in the CCAA proceedings will vary and that such variance may be material.
11. The Monitor will provide more information with respect to the claims filed in both the CCAA and Chapter 11 proceedings at a later date.

Respectfully submitted at Montreal, this 18th day of July, 2014.

Richter Advisory Group Inc.

Monitor



Gilles Robillard, CPA, CA, CIRP