

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MAINE**

In re:

MONTREAL, MAINE & ATLANTIC
RAILWAY, LTD.,

Debtor.

Bk. No. 13-10670
Chapter 11

ROBERT J. KEACH, solely in his capacity as
the chapter 11 trustee for MONTREAL,
MAINE & ATLANTIC RAILWAY, LTD.,

Plaintiff

v.

WORLD FUEL SERVICES CORPORATION,
WORLD FUEL SERVICES, INC.,
WESTERN PETROLEUM COMPANY,
WORLD FUEL SERVICES, CANADA, INC.,
AND PETROLEUM TRANSPORT
SOLUTIONS, LLC,

Defendants.

Adversary Proceeding No.

COMPLAINT

Robert J. Keach, solely in his capacity as the chapter 11 trustee of Montreal, Maine & Atlantic Railway, Ltd. (the "Trustee"), by and through his undersigned counsel, brings this Complaint asserting direct claims against Defendants World Fuel Services Corporation ("WFSC"), World Fuel Services, Inc. ("WFSI"), and Western Petroleum Company ("Western Petroleum") (WFSC, WFSI, and Western Petroleum, collectively, "Defendants"). The Trustee also brings this Complaint seeking disallowance of the Proofs of Claim filed by Defendants and by Defendant World Fuel Services Canada, Inc. ("WF Canada") and Defendant Petroleum

Transport Solutions, LLC (“PTS”) (WF Canada, and PTS, collectively, the “Objection Defendants”). In support of its Complaint, the Trustee avers as follows:

Nature of the Action

1. This action arises out of Defendants’ negligence in connection with the derailment of a freight train transporting seventy-two tank cars loaded with crude oil (the “Train”) in Lac-Mégantic, Quebec (Canada) on July 6, 2013 (the “Derailment”).

2. Montreal, Maine & Atlantic Railway, Ltd. (“MMAR”) and its wholly-owned Canadian subsidiary, Montreal Maine & Atlantic Canada Co. (“MMA Canada”), operate an integrated, international shortline freight railroad system involving five hundred ten miles of track located in the States of Maine and Vermont, and the Canadian Province of Québec.

3. MMAR and MMA Canada were the operators of the Train at the time of the Derailment.

4. The Train’s cargo of crude oil, which was produced from the Bakken Formation in North Dakota, was owned by WFSI. WFSI, along with WFCS and Western Petroleum, arranged for its transport by rail from New Town, North Dakota to an oil refinery in Saint John, New Brunswick (Canada). The tank cars carrying the cargo of crude oil were leased by Western Petroleum.

5. Safe and prudent shipping practices, as well as governmental regulations in the United States and Canada, mandate that parties who offer for shipment certain types of products that are deemed to be hazardous -- which includes crude oil -- must properly classify, identify, label, and package the product so as to enable safe transport of such cargo.

6. The shipping documents provided by Defendants identified the Train’s entire cargo of crude oil as a Class 3 flammable liquid having a high flash point -- the temperature at

which organic material gives off sufficient vapors to ignite -- and, hence, a low danger.

7. These representations were false. On the contrary, tests conducted after the Derailment have confirmed that the crude oil had a dangerously low flash point and was highly volatile.

8. The tank cars that Defendants provided to MMAR for transport of their crude oil were all of the same model and design. Defendants knew or should have known that, without reinforced shells, head shields, valves, and other exposed fittings, this type of tank car was prone to rupture upon derailment. Further, Defendants knew or should have known that unless MMAR was properly advised of the correct classification of the hazardous nature of the crude oil, unreinforced tank cars were unsafe and unsuitable for the transport of such cargo.

9. Had Defendants properly classified, identified, and labelled the Train's crude oil cargo, MMAR could and would have taken steps that would have avoided the Derailment.

10. The Derailment caused many of the Train's tank cars to rupture. Given its low flash point, the crude oil that leaked from the ruptured tank cars ignited, resulting in a number of concussive explosions and a massive, uncontrolled fire.

11. The explosions and fire, in turn, resulted in the loss of forty-seven lives, the destruction of a substantial portion of downtown Lac-Mégantic, significant environmental damage, the disruption of local businesses, and the evacuation of many of Lac-Mégantic's residents.

12. The death and destruction arising out of the Derailment spawned numerous claims, suits, and proceedings against MMAR, including: (i) suits seeking damages for personal injury, wrongful death, and property damage; (ii) governmental proceedings seeking to recover the clean-up costs of environmental damage; and (iii) claims seeking indemnity and/or

contribution with respect to those claim, suits, and proceedings. The damages resulting from the Derailment have been estimated to be in the hundreds of millions of dollars.

13. These claims, suits, and proceedings, in turn, impelled MMAR to seek bankruptcy protection under chapter 11 of the Bankruptcy Code and have, effectively, destroyed MMAR's business.

14. Defendants owed a duty to the public at large and to MMAR specifically to take reasonable measures to avoid or mitigate the dangers associated with the transport of their crude oil and to exercise reasonable care to ensure that the Train could be operated in a safe manner to eliminate or reduce the risk of a derailment or minimize the damage that would result in the event of a derailment.

15. Such duties included, but were not limited to, the duty: (i) to inform MMAR of the highly dangerous nature of the Train's cargo by, among, other things, properly identifying, classifying, and labeling the crude oil as a highly flammable liquid so that MMAR could implement adequate safety procedures and protocols; and (ii) failing that, to provide safe and appropriate packaging for the crude oil cargo, including providing properly designed and reinforced tank cars that would have prevented or reduced the damages resulting from the Derailment.

16. Defendants breached those duties, which has proximately caused MMAR to suffer substantial injuries. MMAR's injuries include, but are not limited, to: (i) the costs and expenses associated with being named in the numerous suits, actions, and proceedings in various jurisdictions, which arise out of the Derailment; (ii) actual or potential liability for the claims made against MMAR in such suits, actions, and proceedings; and (iii) the destruction of MMAR's business operations.

17. By this action, MMAR seeks to recover damages from Defendants, jointly and severally and in an amount to be determined at trial, for those injuries.

Jurisdiction and Venue

18. This Court has jurisdiction over this Adversary Proceeding pursuant to 28 U.S.C. §§ 157 and 1334(b).

19. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

20. This is a core proceeding as defined in 28 U.S.C. § 157(b)(2). This Adversary Proceeding is a core matter over which the Court may, consistent with the United States Constitution, exercise the judicial power of the United States of America.

Parties

21. The Trustee was appointed MMAR's bankruptcy trustee pursuant to 11 U.S.C. § 1163 on August 21, 2013, and has, since that date, continued to function as the Court-supervised fiduciary of MMAR. MMAR, the debtor and debtor in possession in this chapter 11 case, is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business located in Hermon, Maine. MMAR is the parent company of MMA Canada, a company formed and existing as an unlimited liability company under the law of the Canadian Province of Nova Scotia law, and is or may be liable for the debts and obligations of MMA Canada.

22. Upon information and belief, Defendant WFSC is a corporation organized and existing under the laws of the State of Florida, with its principal place of business located in Miami, Florida.

23. Upon information and belief, Defendant WFSI is a corporation organized and existing under the laws of the State of Florida, with its principal place of business located in

Miami, Florida.

24. Upon information and belief, Defendant Western Petroleum is a corporation organized and existing under the laws of the State of Minnesota, with its principal place of business located in Wayzata, Minnesota.

25. Upon information and belief, Defendant WF Canada is a corporation organized and existing under the laws of British Columbia (Canada), with its principal place of business located in Miami, Florida.

26. Upon information and belief, Defendant PTS is a limited liability company organized and existing under the laws of the State of Minnesota, with its principal place of business located in Eden Prairie, Minnesota.

Background

A. Crude Oil Extracted From The Bakken Formation Is Known Within The Petroleum Industry To Be Potentially More Volatile Than Other North American Crude Oil

27. Crude oil is the term for “unprocessed” oil, which exists under the earth’s surface.

28. Crude oil, also known as petroleum, is a fossil fuel, inasmuch as it is produced naturally from decaying plants and animals living in ancient seas millions of years ago. Crude oil varies in color, from clear to tar-black, and in viscosity, from watery to almost solid.

29. Crude oil has little commercial utility in its natural state. Petroleum refining is the means by which crude oil is processed and refined to produce other valuable products such as gasoline, diesel fuel, and heating oils.

30. The “Bakken Formation” is a sub-surface rock formation covering approximately two hundred thousand square miles in the States of Montana and North Dakota, as well as the Canadian Provinces of Saskatchewan and Manitoba.

31. The Bakken Formation contains one of the largest reserve of crude oil ever

discovered in North America.

32. Crude oil has been extracted from the Bakken Formation for more than sixty years; however, production was historically limited due to the difficulty in extracting the oil and the accompanying expense.

33. In recent years, however, advancements in drilling technology and hydraulic fracking -- the process of fracturing subsurface rock formations through high pressure injection of water, sand, and/or chemicals -- has greatly increased the volume of crude oil extracted from the Bakken Formation.

34. Production of crude oil from the Bakken Formation in North Dakota has risen from less than three thousand barrels per day in 2005 to up to approximately one million barrels per day (or more) today.

35. Prior to the boom in oil production from the Bakken Formation, North American crude oil had historically been known to have a high enough flash point that it did not present high risk of spontaneous ignition.

36. However, crude oil extracted from the Bakken Formation has become known to the petroleum industry to be of a different character. Much of the crude oil extracted from wells in the Bakken Formation includes other materials, including volatile vapors, gases, and liquids such as propane, butane, and natural gasoline. These vapors, gasses, and liquids are often explosive and can self-ignite at low ambient temperatures.

B. Unreinforced DOT-111 Tank Cars Are Known Within The Petroleum Industry To Be Prone To Rupture Upon Derailment

37. There are no petroleum refineries located in or around the State of North Dakota, nor is there a pipeline system to transport crude oil extracted from the Bakken Formation in North Dakota to oil refineries. Such transportation is accomplished almost entirely by rail.

38. Crude oil is transported along railways in what are known as tank cars.

39. For more than two decades, one of the most common types of tank cars used to transport hazardous liquids, including crude oil, throughout North America has been the DOT-111 (“DOT-111”). The Defendants knew, or should have known, about the risks associated with the use of DOT-111s.

40. For many years preceding the Derailment, government safety regulators and the media have documented and reported that DOT-111 tank cars were prone to tear or rupture upon a collision and/or derailment, which could potentially spill their cargo.

41. During this time, the petroleum industry has been aware that the risk of DOT-111 tank car ruptures could be eliminated or reduced by implementing certain design changes, such as reinforced shells, head shields, valves, and other exposed fittings. Moreover, since 2011, governmental regulations require that all newly-manufactured DOT-111 tank cars contain design changes of this type so as to eliminate or reduce the risk of rupture in the case of a collision and/or derailment.

42. Cargo volatility is an important consideration in determining rail car selection as well as applicable safety procedures and protocols to be implemented with respect to any shipment of hazardous material.

43. Prudent and safe shipping practices dictate that hazardous flammable liquids that are explosive and capable of self-igniting at low ambient temperatures should not be transported in a train including DOT-111 tank cars that do not have reinforced shells, heads shields, valves, and other exposed fittings, unless the train operator is able to implement enhanced safety procedures and protocols to prevent or minimize the risk of derailment.

44. Prudent and safe shipping practices further dictate that, unless a train’s operator is

made aware that the train's cargo contains hazardous, flammable liquids that are explosive and capable of self-igniting at low ambient temperatures and is, therefore, able to implement enhanced safety procedures and protocols to prevent or minimize the risk of derailment, such cargo should not be transported in a train including DOT-111 tank cars that do not have reinforced shells, head shields, valves, and other exposed fittings.

C. Proper Classification And Identification Of Crude Oil Is Essential For Safe Transportation By Rail

45. A party offering a hazardous material for shipment in the United States or Canada has the duty, among others: (i) to properly identify and classify all hazardous materials related to the shipment; (ii) to determine which hazard class or classes characterize the hazard(s) associated with the material; (iii) to assign each material to a packing group, if applicable; and (iv) to ensure that the hazardous material is transported in appropriate packaging.

46. There are nine recognized classes of hazardous substances in the United States and Canada. These classes define the type of risk a hazardous material may pose.

47. Crude Oil falls within "Hazard Class 3 – Flammable Liquids."

48. The packing groups applicable to a particular hazard class indicate the degree of risk a hazardous material may pose in transport in relation to other materials within that hazard class.

49. There are three packing groups applicable to Class 3 Hazardous Materials: Packing Group I, indicating high danger, Packing Group II, indicating moderate danger, and Packing Group III, indicating low danger.

50. Classification within these packing groups is determined by the material's flash point and initial boiling point, as follows:

Packing Group	Flash Point	Initial Boiling Point
I		$\leq 35^{\circ}\text{C}$ (95°F)
II	$\leq 23^{\circ}\text{C}$ (73°F)	$> 35^{\circ}\text{C}$ (95°F)
III	$\geq 23^{\circ}\text{C}$ (73°F) but $\leq 60.5^{\circ}\text{C}$ (141°F)	$> 35^{\circ}\text{C}$ (95°F)

51. Prudent and safe shipping practices dictate that, in order to properly classify and identify a particular shipment of crude oil, its properties must be determined. These properties include, but are not limited to, its flash point, corrosivity, specific gravity at loading and reference temperatures, as well as the presence and concentration of other compounds.

52. This information concerning a particular shipment of crude oil is also necessary to: (i) select the proper tank car packaging; (ii) ensure that the proper tank car outage -- the “head space” or amount of unfilled space in the tank car -- is maintained; and (iii) devise and implement appropriate transportation safety procedures and protocols.

53. The flash point and initial boiling point of crude oil can vary greatly. Depending upon these and other properties, a particular shipment of crude oil can fall into Packing Group I, II, or III.

Facts

A. Defendants Obtained Crude Oil From The North Dakota Bakken Formation, Arranged For Its Shipment To Saint John, New Brunswick (Canada), And Falsely Assigned It A Packing Group III Designation, Indicating A Low Danger

54. On or about June 29, 2013, Defendants obtained and offered for shipment a supply of crude oil from New Town, North Dakota to Saint John, New Brunswick (Canada).

55. The crude oil product was obtained from eleven different suppliers from a number of wells located within the North Dakota Bakken Formation.

56. This crude oil product had been transported by trucks over highways from several

supplier facilities, where it was “transloaded” -- the process of transferring a shipment from one mode of transportation to another -- into rail tank cars. Each rail tank car was filled from approximately three truck loads.

57. This process of transloading resulted in the tank cars holding a blend of crude oil from a variety of sources.

58. The information contained in material safety data sheets (“MSDS”) provided by the suppliers of this crude oil varied widely and was, at times, contradictory.

59. While all of these MSDSs identified the product as a Class 3 – Flammable Liquid, some MSDSs designated their shipment as Packing Group I, some MSDSs designated their shipment as Packing Group II, and some MSDSs designated their shipment as Packing Group III. Two MSDSs indicated that it was necessary to “determine flash point to accurately classify packing group.”

60. The shipping documents from the trucks that delivered this crude oil to the rail loading facility assigned the product a Packing Group II – Moderate Danger designation.

61. Notwithstanding the varied and sometimes conflicting product classification and identification designations provided by the suppliers and delivery trucks, Defendants classified and identified the entire seventy-two tank car shipment of crude oil on the bill of lading as Petroleum Crude Oil, UN1267, Class 3, Packing Group III, indicating a high flash point and initial boiling point and, hence, a low danger.

62. Defendants conducted either no investigation and analysis, or a faulty investigation and analysis, to determine the properties of their shipment of crude oil.

63. Defendants’ shipment of crude oil was loaded into a number of DOT-111 tank cars that had been manufactured prior to 2011, the year in which government regulations

mandated that all newly-manufactured DOT-111 tank cars contain enhanced resistance against rupture. Upon information and belief, these cars had not been retrofitted with reinforced shells, head shields, valves, or other exposed fittings and were, therefore, subject to a high risk of rupture in the event of a collision or derailment.

64. Defendants arranged for the shipment of the tank cars from the New Town, North Dakota intermodal transloading facility to Cote Saint-Luc, outside Montreal, Quebec (Canada), *via* the Canadian Pacific Railway Company (“CPR”), and from there to Saint John, New Brunswick (Canada) *via* MMAR.

65. The bill of lading provided by Defendants for this shipment identified World Petroleum as the shipper and WFSC as the party to be billed. WSFI claims to have held title to the crude oil and to have been the party actually billed for the shipment by CPR.

B. MMAR’s Receipt Of Defendants’ Crude Oil Shipment And The Derailment

66. The Train departed from the New Town, North Dakota intermodal facility on or about June 29, 2013.

67. The Train was comprised of the seventy-two DOT-111 tank cars and one box car, which were provided by Defendants, and several CPR locomotives.

68. CPR transported the Train to CPR’s rail yard in Cote Saint-Luc, Quebec (Canada).

69. On or about July 5, 2013, CPR transferred the seventy-two DOT-111 tank cars and box car to MMAR.

70. Applicable Canadian law and/or regulations, as well as the joint rate agreement between MMAR and CPR, required that MMAR accept Defendants’ rail cars and cargo and transport it through to its intended destination.

71. MMAR connected one of its locomotives at the head end of the Train, followed by a VB remote control car, followed by four additional locomotives, followed by the seventy-two DOT-111 tank cars.

72. MMAR then commenced the second leg of the Train's transport toward its ultimate destination -- the Irving Oil refinery in Saint John, New Brunswick (Canada).

73. MMAR had no knowledge concerning the properties of the crude oil contained in the Train's DOT-111 tank cars beyond what was contained on the Waybill provided by CPR: Petroleum Crude Oil, UN1267, Class 3, Packing Group III, indicating a high flash point and initial boiling point and, hence, a low danger.

74. Had Defendants made MMAR aware that their crude oil cargo was, in fact, a Packing Group I or II hazardous substance, MMAR would have implemented safety procedures and protocols that would have prevented the Derailment. Among other things, these procedures and protocols would have required that the Train never be left unattended, always be parked on a blocked, side track, and never be parked on a main track.

75. Shortly before midnight on July 5, 2013, MMAR parked and secured the Train on its main track near the town of Nantes, Quebec (Canada) and left it unattended. The main track at this location had a slight descending grade of approximately 1.2%.

76. At or around 1:00 a.m. on July 6, 2013, the unattended Train started to move downgrade.

77. The Train gathered speed as it rolled uncontrolled down the descending grade toward the town of Lac-Mégantic.

78. Sixty-three of the DOT-111 tank cars and the single box car ultimately derailed near the town center of Lac-Mégantic.

79. Many of the DOT-111 tank cars ruptured upon derailment, releasing their contents of crude oil.

80. The released crude oil ignited upon release, resulting in a number of massive explosions and an accompanying large pool fire that burned for several days.

81. As many as forty-seven people were killed and additional people may have suffered injuries as a result of the explosions and fire.

82. The town center of Lac-Mégantic sustained extensive damage from the explosions and fire.

83. The air, soil, and water in and around the site of the Derailment also sustained significant contamination from the spilled crude oil and the resulting fires.

C. The Derailment Forced MMAR To Seek Bankruptcy Protection And Resulted In MMAR Being Joined In And Facing Potential Liability In A Number Of Civil And Administrative Actions And Proceedings, Which Has Destroyed MMAR's Business

84. At the time of the Derailment, MMAR was a going-concern business, which had recently experienced substantial growth in both revenues and profits.

85. Prior to the Derailment, MMAR reasonably projected that it would continue to experience growth in both revenues and profitability into the future.

86. Instead, the Derailment precipitated the MMAR's chapter 11 filing.

87. As a result of the Derailment, MMAR's business was effectively destroyed. The Trustee has received Court approval to sell substantially all of MMAR's assets, and the Trustee reasonably expects to liquidate the remaining assets. At the conclusion of that liquidation, MMAR will not have any operating business, let alone a profitable operating businesses.

88. Following the Derailment, MMAR was named as a defendant in a number of civil actions brought by the representatives and administrators of the estates of deceased victims of the

Derailment in the Circuit Court of Cook County, Illinois (the “Illinois Cases”).

89. MMAR has incurred and will continue to incur substantial costs and expenses in defending against the claims made in the Illinois Cases.

90. MMAR faces the risk of significant liabilities with respect to the claims made in the Illinois Cases.

91. MMAR and MMA Canada have been named as a respondents in a class action petition brought by representatives and administrators of the estates of deceased victims of the Derailment in the Superior Court of the Province of Quebec (Canada), District of Mégantic (the “Canadian Class Action”).

92. MMAR has incurred and will continue to incur substantial costs and expenses in defending against the claims made in the Canadian Class Action.

93. MMAR faces the risk of significant liabilities with respect to the claims made in the Canadian Class Action.

94. MMAR and MMA Canada have been named as respondents by the government of Quebec (Canada) in Orders 628 and 628-A, issued under §114.1 of the provincial Environment Quality Act, c.Q-2, which seek to hold MMAR and MMA Canada responsible for the costs of cleanup and remediation of the environmental damage caused by the Derailment (the “Clean-Up Proceeding”).

95. MMAR has incurred and will continue to incur substantial costs and expenses in defending against the claims made in the Clean-Up Proceeding.

96. MMAR faces the risk of significant liabilities with respect to the Clean-Up Proceeding.

COUNT I
(Negligence)

97. The Trustee repeats and realleges, as if set forth at length herein, each and every allegation of paragraphs 1 through 96 of this Complaint.

98. Defendants owed a duty to MMAR and to the public at large to operate their businesses in a safe manner, to take reasonable measures to avoid or mitigate the dangers associated with the transportation of their crude oil cargo, and to exercise reasonable care to ensure that MMAR could operate the Train in a safe manner and thereby prevent a derailment or minimize the damage that would result in the event of a derailment.

99. Such duties included, but were not limited to, the duty: (i) to inform MMAR of the highly dangerous nature of the Train's cargo by, among, other things, properly identifying, classifying, and labeling the crude oil as a highly flammable liquid with high danger; and (ii) failing that, to provide safe and appropriate packaging for the crude oil cargo, including providing properly designed and reinforced tank cars and/or other buffer rail cars that would have prevented the Derailment or reduced the damages resulting therefrom.

100. Defendants breached those duties by their wrongful acts and/or omissions.

101. Defendants breaches of those duties include, but are not limited to, the following:

- a. Despite their knowledge that crude oil produced from the Bakken Formation is often explosive and can self-ignite at low ambient temperatures, Defendants failed to conduct any investigation and analysis, or conducted a flawed investigation and analysis, of the crude oil cargo to enable Defendants to properly classify, identify, label, and package their shipment of crude oil.
- b. Despite their knowledge that the tank cars carrying their shipment of crude

oil contained a mixture of crude oil from eleven different suppliers, Defendants failed to conduct any investigation and analysis, or conducted a flawed investigation and analysis, of the crude oil cargo to enable Defendants to properly classify, identify, label, and package their shipment of crude oil.

- c. Despite their knowledge that the crude oil suppliers and delivery trucks from whom Defendants had obtained the crude oil had provided conflicting product classification and identification designations for the crude oil -- including a number of MSDSs that had assigned Packing Group I, indicating high danger and Packing Group II, indicating moderate danger designations and two that had indicated it was necessary to determine the crude oil's flash point to accurately classify the packing group -- Defendants assigned the entire crude oil shipment a Packing Group III designation, indicating a high flash point and initial boiling point and, hence, a low danger.
- d. Defendants falsely assigned their entire shipment of crude oil a Packing Group III designation, when, in fact, it should have been assigned a Packing Group II or I designation.
- e. Despite their awareness of the well-known rupture risk of the DOT-111 tank cars, Defendants provided to MMAR used DOT-111 tank cars, which had not been retrofitted to properly and safely transport such flammable petroleum products, without providing MMAR with the proper classification and identification of the crude oil cargo that would have

enabled MMAR to implement appropriate safety procedures and protocols.

102. But for Defendants' negligent and careless acts and omissions, MMAR would have taken steps that would have prevented the Derailment and its resulting injury to MMAR and others.

103. As a direct and proximate result of one or more of the above negligent acts and/or omissions of Defendants, MMAR suffered injuries arising out of the Derailment.

104. MMAR's injuries that were proximately caused by Defendants include: (i) incurring substantial costs and expenses in defending against the claims made in the Illinois Cases, the Canadian Class Action, and the Clean-Up Proceeding; (ii) the risk of significant liabilities with respect to the Illinois Cases, the Canadian Class Action, and the Clean-Up Proceeding; and (iii) the destruction of its business.

COUNT II
(Disallowance of Claims)

105. The Trustee repeats and realleges, as if set forth at length herein, each and every allegation of paragraphs 1 through 104 of this Complaint.

106. Upon information and belief, WF Canada and PTS are affiliates of, or are affiliated with, Defendants.

107. The Objection Defendants, PTS, and WF Canada, have each filed a proof of claim ("POC") in MMAR's chapter 11 case: PTS filed POC No. 28 and WF Canada filed POC No. 30.

108. Additionally, WFSI filed a proof of claim, POC No. 32; WFSC filed a proof of claim, POC No. 31; and WPC filed a proof of claim, POC No. 29.

109. These POCs, Nos. 28, 29, 30, 31, and 32, are referred to in this Complaint as the

“World Fuel POCs.”

110. MMAR is not liable to the Defendants or the Objection Defendants for any amount, whether based on subrogation, indemnification, contribution, reimbursement, or otherwise. Liability for the claims set forth in the World Fuel POCs is denied based on the Defendants’ actions or inactions, as described in the preceding paragraphs of this Complaint. Alternatively, the amount owed by the Defendants to MMAR vastly exceeds the amount, if any, that MMAR owes to the Defendants.

111. The claims described in the World Fuel POCs are unenforceable and should be disallowed pursuant to 11 U.S.C. § 502(a)(1).

WHEREFORE, Robert J. Keach, in his capacity as the trustee of Montreal, Maine & Atlantic Railway, Ltd., respectfully requests that this Court: (i) enter judgment in favor of the bankruptcy estate and against Defendants World Fuel Services Corporation, World Fuel Services, Inc., and Western Petroleum Company, jointly and severally, in an amount to be determined at trial; and (ii) disallow and expunge the World Fuel POCs in their entirety, pursuant to 11 U.S.C. § 502(a)(1)

Dated: January 30, 2014

ROBERT J. KEACH, solely in his capacity
as the chapter 11 trustee of Montreal, Maine
& Atlantic Railway, Ltd.

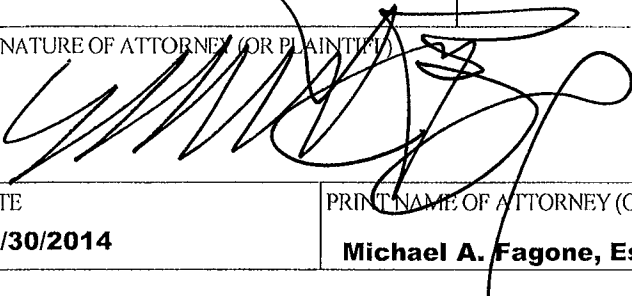
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FORM 104 (08/07)

ADVERSARY PROCEEDING COVER SHEET (Instructions on Reverse)		ADVERSARY PROCEEDING NUMBER (Court Use Only)
PLAINTIFFS Robert J. Keach, solely in his capacity as the chapter 11 trustee for Montreal, Maine & Atlantic Railway, LTD.	DEFENDANTS World Fuel Services Corporation, et al. (see attached sheet)	
ATTORNEYS (Firm Name, Address, and Telephone No.) Michael A. Fagone, Esq., Bernstein, Shur, Sawyer & Nelson, P.A., 100 Middle Street, Portland, ME 04104, 207-774-1200	ATTORNEYS (If Known) Jay S. Geller, Esq., Law Office of Jay S. Geller, One Monument Way, Suite 200, Portland, ME 04101, 207-899-1477	
PARTY (Check One Box Only) <input type="checkbox"/> Debtor <input type="checkbox"/> U.S. Trustee/Bankruptcy Admin <input type="checkbox"/> Creditor <input type="checkbox"/> Other <input checked="" type="checkbox"/> Trustee	PARTY (Check One Box Only) <input type="checkbox"/> Debtor <input type="checkbox"/> U.S. Trustee/Bankruptcy Admin <input checked="" type="checkbox"/> Creditor <input type="checkbox"/> Other <input type="checkbox"/> Trustee	
CAUSE OF ACTION (WRITE A BRIEF STATEMENT OF CAUSE OF ACTION, INCLUDING ALL U.S. STATUTES INVOLVED) Negligence, Disallowance of Claims		
NATURE OF SUIT (Number up to five (5) boxes starting with lead cause of action as 1, first alternative cause as 2, second alternative cause as 3, etc.)		
FRBP 7001(1) – Recovery of Money/Property <input type="checkbox"/> 11-Recovery of money/property - §542 turnover of property <input type="checkbox"/> 12-Recovery of money/property - §547 preference <input type="checkbox"/> 13-Recovery of money/property - §548 fraudulent transfer <input checked="" type="checkbox"/> 14-Recovery of money/property - other FRBP 7001(2) – Validity, Priority or Extent of Lien <input type="checkbox"/> 21-Validity, priority or extent of lien or other interest in property FRBP 7001(3) – Approval of Sale of Property <input type="checkbox"/> 31-Approval of sale of property of estate and of a co-owner - §363(h) FRBP 7001(4) – Objection/Revocation of Discharge <input type="checkbox"/> 41-Objection / revocation of discharge - §727(c),(d),(e) FRBP 7001(5) – Revocation of Confirmation <input type="checkbox"/> 51-Revocation of confirmation FRBP 7001(6) – Dischargeability <input type="checkbox"/> 66-Dischargeability - §523(a)(1),(14),(14A) priority tax claims <input type="checkbox"/> 62-Dischargeability - §523(a)(2), false pretenses, false representation, actual fraud <input type="checkbox"/> 67-Dischargeability - §523(a)(4), fraud as fiduciary, embezzlement, larceny <p style="text-align: center;">(continued next column)</p>	FRBP 7001(6) – Dischargeability (continued) <input type="checkbox"/> 61-Dischargeability - §523(a)(5), domestic support <input type="checkbox"/> 68-Dischargeability - §523(a)(6), willful and malicious injury <input type="checkbox"/> 63-Dischargeability - §523(a)(8), student loan <input type="checkbox"/> 64-Dischargeability - §523(a)(15), divorce or separation obligation (other than domestic support) <input type="checkbox"/> 65-Dischargeability - other FRBP 7001(7) – Injunctive Relief <input type="checkbox"/> 71-Injunctive relief – imposition of stay <input type="checkbox"/> 72-Injunctive relief – other FRBP 7001(8) Subordination of Claim or Interest <input type="checkbox"/> 81-Subordination of claim or interest FRBP 7001(9) Declaratory Judgment <input type="checkbox"/> 91-Declaratory judgment FRBP 7001(10) Determination of Removed Action <input type="checkbox"/> 01-Determination of removed claim or cause Other <input type="checkbox"/> SS-SIPA Case – 15 U.S.C. §§78aaa <i>et seq.</i> <input type="checkbox"/> 02-Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case)	
<input checked="" type="checkbox"/> Check if this case involves a substantive issue of state law	<input type="checkbox"/> Check if this is asserted to be a class action under FRCP 23	
<input type="checkbox"/> Check if a jury trial is demanded in complaint	Demand \$	
Other Relief Sought Disallowance of claims pursuant to 11 U.S.C. § 502		

FORM 104 (10/06), Page 2

BANKRUPTCY CASE IN WHICH THIS ADVERSARY PROCEEDING ARISES		
NAME OF DEBTOR Montreal, Maine & Atlantic Railway, Ltd.		BANKRUPTCY CASE NO. 13-10670
DISTRICT IN WHICH CASE IS PENDING Maine	DIVISIONAL OFFICE Bangor	NAME OF JUDGE Judge Louis H. Kornreich
RELATED ADVERSARY PROCEEDING (IF ANY)		
PLAINTIFF	DEFENDANT	ADVERSARY PROCEEDING NO.
DISTRICT IN WHICH ADVERSARY IS PENDING	DIVISIONAL OFFICE	NAME OF JUDGE
SIGNATURE OF ATTORNEY (OR PLAINTIFF) 		
DATE 1/30/2014	PRINT NAME OF ATTORNEY (OR PLAINTIFF) Michael A. Fagone, Esq.	

INSTRUCTIONS

The filing of a bankruptcy case creates an "estate" under the jurisdiction of the bankruptcy court which consists of all of the property of the debtor, wherever that property is located. Because the bankruptcy estate is so extensive and the jurisdiction of the court so broad, there may be lawsuits over the property or property rights of the estate. There also may be lawsuits concerning the debtor's discharge. If such a lawsuit is filed in a bankruptcy court, it is called an adversary proceeding.

A party filing an adversary proceeding must also complete and file Form 104, the Adversary Proceeding Cover Sheet, if it is required by the court. In some courts, the cover sheet is not required when the adversary proceeding is filed electronically through the court's Case Management/Electronic Case Files (CM/ECF) system. (CM/ECF captures the information on Form 104 as part of the filing process.) When completed, the cover sheet summarizes basic information on the adversary proceeding. The clerk of court needs the information to process the adversary proceeding and prepare required statistical reports on court activity.

The cover sheet and the information contained on it do not replace or supplement the filing and service of pleadings or other papers as required by law, the Bankruptcy Rules, or the local rules of court. The cover sheet, which is largely self-explanatory, must be completed by the plaintiff's attorney (or by the plaintiff if the plaintiff is not represented by an attorney). A separate cover sheet must be submitted to the clerk for each complaint filed.

Plaintiffs and Defendants. Give the names of the plaintiffs and the defendants exactly as they appear on the complaint.

Attorneys. Give the names and addresses of the attorneys, if known.

Party. Check the most appropriate box in the first column for the plaintiffs and in the second column for the defendants.

Demand. Enter the dollar amount being demanded in the complaint.

Signature. This cover sheet must be signed by the attorney of record in the box on the second page of the form. If the plaintiff is represented by a law firm, a member of the firm must sign. If the plaintiff is pro se, that is, not represented by an attorney, the plaintiff must sign.

Defendants:

World Fuel Services Corporation,

World Fuel Services, Inc.,

Western Petroleum Company,

World Fuel Services, Canada, Inc., and

Petroleum Transport Solutions, LLC