

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

In re:

MONTREAL MAINE & ATLANTIC  
RAILWAY, LTD.,

Debtor.

Chapter 11

Case No. 13-10670

**MOTION OF LMS ACQUISITION CORPORATION FOR ALLOWANCE AND  
PAYMENT OF ITS ADMINISTRATIVE CLAIM PURSUANT TO 11 U.S.C. § 503(b)**

LMS Acquisition Corporation (“LMS”), by and through its undersigned counsel, hereby applies to this Court for allowance and payment of its administrative claim pursuant to 11 U.S.C. § 503(b) (the “Motion”). In support of this Motion, LMS states as follows:

**Jurisdiction**

1. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue of this Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for relief requested herein are §§ 105(a) and 503(b)(1) of the Bankruptcy Code.

**Background and Relief Requested**

2. On August 7, 2013 (the “Commencement Date”), the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). On August 21, 2013, the Trustee was appointed as the chapter 11 trustee of the Debtor pursuant to § 1163 of the Bankruptcy Code.

3. Prior to the Commencement Date, LMS, on the one hand, and the Debtor, on the other, executed an agreement to defray the cost of transloading bulk starch (the “Agreement”). The Agreement was subsequently cancelled post-petition.

4. Prior to and following the Commencement Date up until the Agreement was cancelled, LMS continued to perform its obligations under the Agreement.

5. 11 U.S.C. § 503(b)(1)(A) provides administrative expense priority for "actual, necessary costs and expenses of preserving the estate." A claim qualifies as an administrative expense if it (1) arose from a transaction with the estate and (2) provided some demonstrable benefit to the estate. *In re Cramer v. Mammoth Mart, Inc. (In re Mammoth Mart, Inc.)*, 536 F.2d 950, 954 (1st Cir. 1976).

6. In this case, LMS is entitled to an administrative priority expense for its post-petition services rendered under the Agreement prior to its cancellation. LMS's claim arose from a transaction with the estate because LMS provided services to the Debtor and LMS provided a benefit to the estate by defraying the cost of transloading bulk starch.

7. LMS submits that the reasonable value of its services is based on its fee payable under the Agreement. LMS is owed \$8,800 of fees accrued post-petition under the Agreement for the months of August through November 2013. Attached hereto as Exhibit A is a copy of the invoices representing these outstanding post-petition fees.

8. Pursuant to D. Me. LBR 9013-1(b), before filing this Motion, counsel for LMS made a good faith effort to determine whether or not the Motion is unopposed. After consultation with the Trustee, consent could not be obtained. However, the Trustee and counsel for LMS have agreed to stay any action in this Motion to allow for further settlement discussions. In the event that the Motion cannot be resolved, counsel for LMS or the Trustee shall request that the Court schedule a hearing on the matter.

WHEREFORE, LMS requests payment of an administrative expense pursuant to 11 U.S.C. § 503(b) in the amount of \$8,800.

Dated: December 1, 2014

/s/ Patrick C. Maxcy

Patrick C. Maxcy

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LMS Acquisition Corporation

**CERTIFICATE OF SERVICE**

I, Patrick C. Maxcy, hereby certify that I caused a copy of the above Motion, the proposed Order, and this Certificate of Service to be served via the Court's CM/ECF system on December 1, 2014 and by U.S First Class Mail on December 1, 2014, as indicated upon the parties listed on the attached Service List.

Dated: December 1, 2014

/s/ Patrick Maxcy

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**Exhibit A**

**INVOICE**

\* \* MISCELLANEOUS \* \*

PAGE # 1

LOGISTICS MANAGEMENT SYSTEMS-1 01  
 COLDBROOK ROAD  
 77 LOGISTICS LANE  
 HERMON, ME 04401

FOR THE ACCOUNT OF: 4100  
 MONTREAL, MAINE & ATLANTIC RAILWAY  
 NORTHERN MAINE JUNCT PARK  
 15 IRON ROAD  
 HERMON, ME 04401

INVOICE
149228**
INVOICE DATE
10/31/13

MAKE CHECK PAYABLE AND REMIT TO:  
 LOGISTICS MANAGEMENT SYSTEMS-1  
 77 LOGISTICS LANE  
 HERMON, ME 04401

REFER TO INVOICE NUMBER WITH YOUR REMITTANCE

REF NO	EXPLANATION-OF-CHARGE-OR-CREDIT	QUANTITY	RATE	BASE	AMOUNT
OCT 2013	390:3712 INBD STARCH CARS STARCH CARS BAGGED IN OCT 2013 FOR PENFORD AND INGREDION	11	200.000	UNIT	2200.00

\* DENOTES MINIMUMS

\*\*\* INVOICE TOTAL \*\*\*

PLEASE PAY THIS AMOUNT >

\$2,200.00

TERMS: PAYABLE UPON RECEIPT

**INVOICE**

\* \* MISCELLANEOUS \* \*

PAGE # 1

LOGISTICS MANAGEMENT SYSTEMS-1 01  
 COLDBROOK ROAD  
 77 LOGISTICS LANE  
 HERMON, ME 04401  
 FOR THE ACCOUNT OF: 4100  
 MONTREAL, MAINE & ATLANTIC RAILWAY  
 NORTHERN MAINE JUNCT PARK  
 15 IRON ROAD  
 HERMON, ME 04401

INVOICE
149265**
INVOICE DATE
11/27/13

MAKE CHECK PAYABLE AND REMIT TO:  
 LOGISTICS MANAGEMENT SYSTEMS-1  
 77 LOGISTICS LANE  
 HERMON, ME 04401

REFER TO INVOICE NUMBER WITH YOUR REMITTANCE

REF NO	EXPLANATION-OF-CHARGE-OR-CREDIT	QUANTITY	RATE	BASE	AMOUNT
	390:3712 INBD STARCH CARS STARCH CARS BAGGED IN NOVEMBER 2013 PENFORD AND INGREDION	9	200.000	UNIT	1800.00

\* DENOTES MINIMUMS

\*\*\* INVOICE TOTAL \*\*\* PLEASE PAY THIS AMOUNT > \$1,800.00

TERMS: PAYABLE UPON RECEIPT

**INVOICE**

\* \* MISCELLANEOUS \* \*

PAGE # 1

INVOICE
149074**
INVOICE DATE
08/30/13

[ L.M.S. CHEMICAL RELOAD 03 ]  
 COLDBROOK ROAD  
 77 LOGISTICS LANE  
 HERMON, ME 04401  
 [ FOR THE ACCOUNT OF: 4100 ]  
 [ MONTREAL, MAINE & ATLANTIC RAILWAY ]  
 [ NORTHERN MAINE JUNCT PARK ]  
 [ 15 IRON ROAD ]  
 [ HERMON, ME 04401 ]  
 [ ]

<b>MAKE CHECK PAYABLE AND REMIT TO:</b>
L.M.S. CHEMICAL RELOAD 77 LOGISTICS LANE HERMON, ME 04401

REFER TO INVOICE NUMBER WITH YOUR REMITTANCE

REF NO	EXPLANATION-OF-CHARGE-OR-CREDIT	QUANTITY	RATE BASE	AMOUNT
AUG. 2013	390:3712 INBD STARCH CARS PENFORD AND INGREDION STARCH CARS BAGGED AUG 2013	12	200.000 UNIT	2400.00

\* DENOTES MINIMUMS

\*\*\* INVOICE TOTAL \*\*\*

PLEASE PAY THIS AMOUNT >

\$2,400.00

TERMS: PAYABLE UPON RECEIPT

**INVOICE**

\* \* MISCELLANEOUS \* \*

PAGE # 1

INVOICE
149165**
INVOICE DATE
09/30/13

L.M.S. LUMBER RELOAD  
 COLDBROOK ROAD  
 77 LOGISTICS LANE  
 HERMON, ME. 04401

02

FOR THE ACCOUNT OF: 4100  
 MONTREAL, MAINE & ATLANTIC RAILWAY  
 NORTHERN MAINE JUNCT PARK  
 15 IRON ROAD  
 HERMON, ME 04401

MAKE CHECK PAYABLE AND REMIT TO:
L.M.S. LUMBER RELOAD 77 LOGISTICS LANE HERMON, ME 04401

REFER TO INVOICE NUMBER WITH YOUR REMITTANCE

REF NO	EXPLANATION-OF-CHARGE-OR-CREDIT	QUANTITY	RATE	BASE	AMOUNT
	390:3712 INBD STARCH CARS STARCH CARS BAGGED IN SEPT 2013	12	200.000	UNIT	2400.00

\* DENOTES MINIMUMS

\*\*\* INVOICE TOTAL \*\*\*

PLEASE PAY THIS AMOUNT >

\$2,400.00

TERMS: PAYABLE UPON RECEIPT

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

In re:

MONTREAL MAINE & ATLANTIC  
RAILWAY, LTD.,

Debtor.

Chapter 11

Case No. 13-10670

**ORDER APPROVING LMS ACQUISITION CORPORATION'S MOTION FOR  
ALLOWANCE AND PAYMENT OF ITS ADMINISTRATIVE CLAIM PURSUANT TO  
11 U.S.C. § 503(b)**

Upon consideration of the application for allowance and payment of its administrative claim pursuant to 11 U.S.C. § 503(b) (the "Motion") filed by LMS Acquisition Corporation ("LMS"), by and through its undersigned counsel, and after due and appropriate prior notice of the Motion to all interested parties, after a hearing thereon before me on \_\_\_\_\_, and parties-in-interest having appeared regarding the Motion, and due deliberation having been had thereon, the Court finding that LMS's request for allowance and payment of its administrative expense claim against Debtor, Maine Montreal & Atlantic Railway, Ltd. ("Debtor"), and Debtor's bankruptcy estate is meritorious pursuant to 11 U.S.C. §§ 503, 507, and 1171(a), for the reasons articulated on the record at said hearing, and good cause otherwise having been shown, it is therefore hereby

**ORDERED, ADJUDGED, AND DECREED**

that the Motion is allowed in full; it is hereby further

**ORDERED, ADJUDGED, AND DECREED**

that LMS's administrative claim is allowed against Debtor and Debtor's bankruptcy estate; and it is hereby further

**ORDERED, ADJUDGED, AND DECREED**

that LMS's administrative claim shall be paid in accordance with the same terms and at the same time as all other allowed claims entitled to the same priority in this case under the United States Bankruptcy Code.

Dated: \_\_\_\_\_.

\_\_\_\_\_  
Louis H. Kornreich, Chief Judge  
United States Bankruptcy Court