

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MAINE**

In re:

MONTREAL MAINE & ATLANTIC  
RAILWAY, LTD.

Debtor.

Bk. No. 13-10670  
Chapter 11

**MOTION FOR EXPEDITED HEARING, SHORTENED OBJECTION PERIOD  
AND LIMITED NOTICE WITH RESPECT TO MOTION FOR  
ORDER PURSUANT TO 11 U.S.C. § 542(b)**

Robert J. Keach, the chapter 11 trustee in the above-captioned case (the “Trustee”), hereby moves this Court for an expedited hearing and shortened objection period and approval of limited notice (the “Motion to Expedite”) with respect to the Motion for Order Pursuant to 11 U.S.C. § 542(b) (the “§ 542(b) Motion”). In support of the Motion to Expedite, the Trustee states as follows:

**JURISDICTION**

1. This Court has jurisdiction to entertain the Motion to Expedite and the § 542(b) Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates and applicable rules relating to the relief sought in the Motion to Expedite and the § 542(b) Motion are §§ 541 and 542 of the United States Bankruptcy Code, Rule 9013 of the Federal Rules of Bankruptcy Procedure (hereinafter “Fed. R. Bankr. P.”) and Rule 9013-1(d)(1), (5) and (i) of this Court’s local rules (the “Local Rules”).

## **BACKGROUND**

2. On August 7, 2013 (the "Petition Date"), Montreal Maine & Atlantic Railway, Ltd., the above-captioned debtor (the "Debtor"), filed a voluntary petition for relief under chapter 11 of 11 U.S.C. § 101 et seq. (the "Bankruptcy Code"). On August 21, 2013, the United States Trustee (the "U.S. Trustee") appointed the Trustee to serve in the Debtor's Chapter 11 Case (the "Case") pursuant to 11 U.S.C. § 1163.

3. In that capacity, the Trustee filed the § 542(b) Motion seeking an order compelling certain customers of the Debtor to pay past due balances owed for services performed by the Debtor in the ordinary course of its operations. Specifically, the Trustee seeks an order compelling: (a) Irving Paper Ltd., Irving Pulp & Paper, Ltd., and J. D. Irving, Ltd. (collectively, "Irving") to pay a past due balance of approximately \$885,733 (the "Irving Debt"); and (b) Great Northern Paper ("GNP") to pay a past due balance of approximately \$422,625 (the "GNP Debt" and, collectively with the Irving Debt, the "Debts").

4. Payment of the Debts is important to the operation of the Debtor's railroad in the short term. The Trustee expects current discussions to result in post-petition financing sufficient to allow the proper operation of the railroad for the foreseeable future. However, pending such financing, the Trustee requires payment of the Irving Debt and the GNP Debt.

## **RELIEF REQUESTED**

5. By this Motion to Expedite, the Trustee requests that the Court: (a) schedule a hearing on the § 542 Motion for September 4, 2013 at 10:00 a.m.; (b) set a shortened objection deadline for September 3, 2013; and (c) approve service of the Motion to Expedite and the § 542 Motion in the manner set forth herein.

**BASIS FOR RELIEF**

6. Absent a request for an expedited hearing, a movant seeking the type of relief set forth in the § 542 Motion must provide twenty-one days' notice and a response date must be set more than seven calendar days prior to a hearing date. *See* Fed. R. Bankr. P. 2002, D. Me. LBR 9013-1(d)(5).

7. The Trustee seeks an expedited hearing on the § 542 Motion because payment of the Debts would be helpful in maintaining the railroad's seamless and efficient operations. As mentioned above, the Trustee expects current discussions to result in post-petition financing. In the interim, the Trustee seeks payment of the Irving Debt and GNP Debt while these discussions continue.

8. The Court has already scheduled hearings for September 4, 2013 at 10:00 a.m. with respect to the Debtor's Motion for Authorization to Use Pre-Petition Bank Accounts and Business Forms and the Debtor's Motion for Order Pursuant to 11 U.S.C. §§ 361, 362, and 363: (I) Authorizing Debtor to Use Cash Collateral on Interim Basis; and (II) Scheduling a Hearing to Consider the Use of Cash Collateral on a Final Basis.

9. The Trustee requests that a hearing on the § 542(b) Motion be scheduled for the same date and time to allow expedited consideration of the relief sought by the Trustee while minimizing cost and inconvenience to interested parties who might already be in attendance on that date.

**NOTICE**

10. Notice of this Motion to Expedite and the § 542(b) Motion was served on the following parties on the date and in the manner set forth in the certificate of service: (1) the United States Trustee; (2) the Debtor's counsel; (3) the non-insider holders of the twenty (20)

largest unsecured claims against the Debtor or, if applicable, the lawyers representing such holders; (4) applicable federal and state taxing authorities; (5) the holders of secured claims against the Debtor, or if applicable, the lawyers representing such holders; (6) others who have, as of the date of the Motion to Expedite and the § 542 Motion, entered an appearance and requested service of papers in the Case; (7) counsel for Irving; and (8) counsel for GNP.

**CONCLUSION**

WHEREFORE, the Trustee respectfully requests that this Court enter an Order: (a) finding that service of the Motion to Expedite and the § 542(b) Motion in the manner described herein was sufficient to all parties in interest under the circumstances of this case; (b) granting the Motion to Expedite; (c) setting a hearing on the § 542(b) Motion for September 4, 2013 at 10:00 a.m. and a shortened objection deadline for September 3, 2013; and (d) granting such other and further relief as the Court deems just and equitable under the circumstances.

Dated: August 30, 2013

ROBERT J. KEACH  
CHAPTER 11 TRUSTEE OF MAINE  
MONTREAL & ATLANTIC RAILWAY, LTD

By his attorneys:

/s/ Michael A. Fagone  
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**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MAINE**

In re:

MONTREAL MAINE & ATLANTIC  
RAILWAY, LTD.

Debtor.

Bk. No. 13-10670  
Chapter 11

**ORDER GRANTING MOTION FOR EXPEDITED HEARING, SHORTENED  
OBJECTION PERIOD AND LIMITED NOTICE WITH RESPECT TO  
MOTION FOR ORDER PURSUANT TO 11 U.S.C. § 542(b)**

This matter having come before the Court on the Motion for Expedited Hearing, Shortened Objection Period and Limited Notice with Respect to Motion For Order Pursuant to 11 U.S.C. § 542(b) (the “Motion to Expedite”) filed by Robert J. Keach, the chapter 11 trustee in the above-captioned case (the “Trustee”), and upon consideration of all responses to the Motion to Expedite (if any), it is hereby **ORDERED**, **ADJUDGED** and **DECREED** as follows:

1. The Motion to Expedite is granted.
2. Notice and service of the Motion to Expedite and the Motion for Order Pursuant to 11 U.S.C. § 542(b) (the “§ 542(b) Motion”) was sufficient in light of the nature of the relief requested.
3. An expedited hearing on the § 542(b) Motion is set for September 4, 2013 at 10:00 a.m. and the deadline to object to the same is September 3, 2013.

Dated:

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

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MAINE**

In re:

MONTREAL MAINE & ATLANTIC  
RAILWAY, LTD.

Debtor.

Bk. No. 13-10670

Chapter 11

**NOTICE OF EXPEDITED HEARING**

Robert J. Keach, the chapter 11 trustee in the above-captioned case (the “Trustee”), has filed a Motion for Expedited Hearing, Shortened Objection Period and Limited Notice with Respect to Motion for Order Pursuant to 11 U.S.C. § 542(b) (the “Motion to Expedite”) and a Motion for Order Pursuant to 11 U.S.C. § 542(b) (the “§ 542(b) Motion”)

If you do not want the Court to approve the Motion to Expedite or the § 542(b) Motion, then on or before **September 3, 2013**, you or your attorney must file with the Court a response or objection explaining your position. If you are not able to access the CM/ECF Filing System, then your response should be served upon the Court at:

Alec Leddy, Clerk  
United States Bankruptcy Court for the District of Maine  
202 Harlow Street  
Bangor, Maine 04401

If you do have to mail your response to the Court for filing, then you must mail it early enough so that the Court will receive it **on or before September 3, 2013**.

You may attend the hearing with respect to the Motion to Expedite scheduled to be held at the Bankruptcy Court, 202 Harlow Street, Bangor, Maine on **September 4, 2013 at 10:00 a.m.** If the Motion to Expedite is granted at that time, the Court may immediately thereafter conduct hearings to consider, and may grant some or all of the relief sought by the § 542(b) Motion.

**Your rights may be affected.** You should read these papers carefully and discuss them with your attorney, if you have one. If you do not have an attorney, you may wish to consult one.

If you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought in the Motion to Expedite or the § 542(b) Motion and may enter an order granting the requested relief without further notice or hearing.

Dated: August 30, 2013

ROBERT J. KEACH  
CHAPTER 11 TRUSTEE OF MAINE  
MONTREAL & ATLANTIC RAILWAY, LTD

By his attorneys:

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