

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE**

In re:

MONTREAL MAINE & ATLANTIC
RAILWAY, LTD.

Debtor.

Bk. No. 13-10670
Chapter 11

**DECLARATION OF FRED C. CARUSO IN SUPPORT OF (I) CHAPTER 11
TRUSTEE'S MOTION FOR ORDER: (A) AUTHORIZING DEBTOR TO OBTAIN
POST-PETITION FINANCING; AND (B) GRANTING TO CAMDEN NATIONAL
BANK POST-PETITION SECURITY INTERESTS AND (II) TRUSTEE'S CONTINUED
USE OF CASH COLLATERAL**

Fred C. Caruso, pursuant to 28 U.S.C. § 1746, states as follows:

1. I am the Chief Operating Officer of Development Specialists, Inc. ("DSI"), a turnaround management consulting and financial advisory firm headquartered at Three First National Plaza, 70 West Madison Street, Suite 2300, Chicago, Illinois, 60602-4250. DSI was retained by Robert J. Keach, the chapter 11 trustee (the "Trustee") in the above-captioned case of Montreal Maine & Atlantic Railway, Ltd. ("MMA"), as the financial advisor for the Trustee.

2. This Declaration is submitted in connection with and in support of the *Chapter 11 Trustee's Motion for Order: (A) Authorizing Debtor to Obtain Post-Petition Financing; and (B) Granting to Camden National Bank Post-Petition Security Interests* [Docket No. 337] (the "Borrowing Motion"), filed by the Trustee. This Declaration is also submitted in support of *Debtor's Motion for Order Pursuant to 11 U.S.C. §§ 361, 362, and 363: (I) Authorizing Debtor to Use of Cash Collateral on Interim Basis; and (II) Scheduling a Hearing to Consider the Use*

of Cash Collateral on a Final Basis [Docket No. 5] (the “Cash Collateral Motion”), which Cash Collateral Motion was adopted by the Trustee.¹

3. All facts set forth herein are based on my personal knowledge, on information supplied to me by others within MMA’s organization or by the Trustee or his professionals, upon my review of relevant documents, or on my opinion based upon my experience and knowledge of MMA’s operations, financial condition, and present liquidity needs. If I were called to testify, I could and would testify competently to the facts set forth herein.

A. MMA Requires the Relief Requested in the Borrowing Motion to Continue Operating and to Preserve the Value of Its Assets.

4. As set forth in the Borrowing Motion, MMA requires, on an immediate basis, an additional source of working capital in order to continue operating pending the contemplated sale of its assets. Without an additional source of working capital, MMA may be forced to cease operations, a result that is not in the best interests of creditors and that is not in the public interest.

5. Camden National Bank (the “Bank”) has agreed to provide MMA with financing (the “Loan”) on the terms set forth in the Borrowing Motion and in the Commitment Letter attached to the Borrowing Motion. A true and correct copy of the Commitment Letter is attached hereto as Exhibit A. The Loan is structured as a revolving line of credit in the maximum amount of \$3 million, has a fixed interest rate of 5.00%, and matures on August 30, 2014. The Loan will be used to finance ongoing operations of MMA and its Canadian subsidiary, Montreal Maine & Atlantic Canada Co. (“MMAC”), substantially in accordance with the budget and projections attached hereto as Exhibit B (the “Budget”). I was directly

¹ Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Borrowing Motion or the Cash Collateral Motion.

responsible for the preparation of the Budget, and worked in conjunction with the Trustee and with employees of MMA to prepare the forecast.

6. The Loan will be secured by a first-priority mortgage and security interest on all assets, located in the United States, that secure the debt owed to the Federal Railroad Administration (the “FRA”), as described more fully in the Borrowing Motion. The Bank has not demanded, and the Trustee is not proposing to grant, a security interest in MMA’s accounts, inventory, or payment intangibles.

7. Prior to negotiating the Loan with the Bank, the Trustee approached other potential lenders, including existing lenders (including Wheeling), in an attempt to obtain post-petition financing. However, the Trustee was unable to obtain financing on more favorable or expeditious terms than those associated with the Loan.

8. I anticipate that the FRA will consent to, or will not object to, the terms of the Loan, and, specifically, subordination of its interest in the FRA Collateral located in the United States to permit the Bank to have a first priority interest in such collateral. I understand that the position of the United States in this regard is premised on the condition that the proceeds of the Loan shall be used, among other things, to provide for a minimum of two-person crews on all trains operated by MMA, and that the Trustee has expressed his commitment to satisfaction of that condition. The Budget assumes the use of two-person crews in this respect.

9. Additionally, in light of the number and extent of priority and general unsecured claimants in MMA’s chapter 11 case, the Trustee was not able to obtain financing on an unsecured basis. Moreover, although the Trustee believes that MMA owns some unencumbered assets, such assets are insufficient to secure the financing necessary to continue operations pending a sale.

10. The proceeds of the Loan will fund MMA's working capital and operational needs pending a sale of its assets. The terms of the Loan are favorable to MMA and the Loan is secured by assets that were already pledged by MMA to FRA. If MMA does not obtain the Loan, it may run out of sufficient cash before the end of October 2013. The Budget assumes that the proceeds of the Loan are available to MMA on or before October 18, 2013.

11. Uncertainty over the state of MMA's liquidity and financing, among other factors, has already resulted in a substantial loss of business, as shippers are concerned that their cargo may be stranded by a suspension of operations.

12. Further, financing of the operations of MMA and MMAC is a critical aspect to the extension of MMAC's certificate of fitness by a Canadian regulatory authority (the Canadian Transport Agency), the current extension for which expires on October 18, 2013. Although MMAC has sought an extension of that certificate of fitness through January 15, 2014, and is confident that it will be granted, the liquidity provided by the Loan is a critical aspect of assuring regulators and customers of the continued operation of the rail system in the coming months.

13. Accordingly, the Loan is in the best interests of MMA's estate and its creditors, and is also in the public interest, as it will ensure that MMA has sufficient funds to continue operating pending a sale of its assets.

B. Use of Wheeling's Cash Collateral Pending the Closing of the Loan, and After the Closing of the Loan.

14. Since DSI's appointment, I have worked closely with the Trustee and with MMA's employees in order to create the various financial reporting delivered to Wheeling and others pursuant to various orders of this Court.

15. I am informed that MMA is a Delaware entity. A true and correct copy of the Delaware UCC search results in relation to MMA are attached hereto as Exhibit C. A true and

correct copy of the results of the Canadian personal property search in relation to MMAC are attached hereto as **Exhibit D**.

16. Attached hereto as **Exhibit E** is a report showing the actual results, compared to the projected results, for the week ending October 4, 2013.

17. Attached hereto as **Exhibit F** is an analysis of accounts and inventory at various points in time, including August 7, 2013 (the date on which MMA filed its chapter 11 petition) and October 4, 2013.

18. MMA has paid approximately \$46,000 to Wheeling in connection with various cash collateral orders of the Court.

19. In or around September 2013, MMA and/or MMAC received \$250,000 from Travelers Insurance Company. This payment represents insurance coverage for damage to the track and the railbeds.

20. I am informed that the Trustee's authority to use Wheeling's cash collateral currently expires on Friday, October 11, 2011. Assuming that the Loan is approved by this Court, the Commitment Letter provides that the Loan would be available to MMA on or before October 25, 2013. The period from October 12, 2013 to the date on which the Loan is first available to MMA is referred to in this Declaration as the "Gap Period." A schedule of anticipated cash receipts and disbursements for the three week period ending on October 25, 2013 is attached hereto as **Exhibit G**.

21. The Trustee requires use of Wheeling's cash collateral during the Gap Period. As adequate protection of Wheeling's interests in the cash collateral, the Trustee proposes to provide Wheeling with the same forms of adequate protection that have been contained in various existing orders of the Court.

22. After the Gap Period, the Trustee does not anticipate using the proceeds of accounts generated before the end of the Gap Period. To the extent that such proceeds are collected in the ordinary course of business, the Trustee proposes to segregate the proceeds. The proceeds will not be used without either Wheeling's consent or an order of the Court.

23. After the Gap Period, the Trustee anticipates using, in the ordinary course of business, inventory owned by MMA and/or MMAC. Wheeling asserts a security interest in such inventory. The Trustee proposes to pay Wheeling, on a monthly basis, the cost of inventory used in the ordinary course of business. Such payment will be made at the beginning of each month, for the inventory used during the prior month. The first payment would be made in November, for inventory consumed between the end of the Gap Period and October 31, 2013. Such payment would be made under a reservation of the Trustee's right, or MMAC's right, to challenge the perfection of Wheeling's security interests in inventory owned by MMAC.

24. The cash balance will be measured at the end of the Gap Period. That cash balance is referred to in this Declaration as the "Existing Cash." The Budget assumes the continued use of the Existing Cash, and the Trustee requires that use of the Existing Cash. To the extent that Wheeling has an interest in the Existing Cash (which is not conceded by the Trustee), the Trustee proposes to provide adequate protection of Wheeling's interest in the Existing Cash by making a payment to Wheeling at the closing of a sale of all or substantially all of MMA's assets. The payment, if any, would be funded with something other than collateral in which Wheeling has a perfected and unavoidable security interest.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated: October 8, 2013

A handwritten signature in cursive script, appearing to read "Fred C. Caruso", written over a horizontal line.

FRED C. CARUSO
Chief Operating Officer,
Development Specialists, Inc.

October 2, 2013

Robert Keach, Esq.
Trustee for Montreal, Maine & Atlantic, Ltd.
Bernstein Shur
100 Middle Street
P.O. Box 9729
Portland, ME 04104-5029

Dear Attorney Keach:

We are pleased to advise you that Camden National Bank ("Bank") has approved your request for a commercial line of credit loan to you in your capacity as Trustee for Montreal, Maine & Atlantic, Ltd. ("Borrower") in the amount of Three Million and 00/100 Dollars (\$3,000,000.00) (the "Line" or "Loan"). **This letter, when properly signed and accepted, is intended to constitute an agreement between Bank, which agrees to lend, and Borrower, which agrees to borrow, subject to the following terms and conditions and such additional terms and conditions as may be set forth in the definitive loan documents.** The terms and conditions of our approval are as follows:

1. BORROWER:

Borrower will be Montreal, Maine & Atlantic Ltd., a Delaware corporation.

2. AMOUNT:

The amount of the Line shall be Three Million and 00/100 U.S. Dollars (\$3,000,000.00). Such amount may be borrowed, repaid and re-borrowed, subject to the outstanding limit of \$3,000,000.00.

3. USE OF PROCEEDS:

The Loan proceeds shall be used for working capital needs of Borrower. The Loan proceeds may not be used for any other purpose, including A) payments of pre-petition debt, except for amounts of pre-petition debt required to be paid under the Bankruptcy Code or authorized to be paid by order of the Bankruptcy Court, provided, however, that in no event shall such amounts of pre-petition debts exceed \$250,000.00 absent written consent of the Bank, or B) payment of the costs of administration of Borrower's pending Chapter 11 case, except for ordinary and necessary costs of operating the business of Borrower, without written consent of the Bank.

4. COLLATERAL:

All obligations of Borrower to Bank will be secured by the following (collectively, the "Collateral"):

A. First mortgage on all assets located in the United States that currently secure a mortgage held by the Federal Railroad Administration, including the Direct Loan Financing Agreement under the Railroad Rehabilitation and Improvement Financing Program (RRIF). This agreement is predicated on the understanding that these assets include substantially all of the real estate located in the United States owned by Borrower (the "Real Estate"), including substantially all properties included in an appraisal dated July 23, 2010 performed by Main Line Rail Management, Inc.. The first priority of the mortgage shall be established by appropriate subordination agreements and by the terms of the Court Order (defined below), the sufficiency of which will be determined by the Bank in its sole discretion.

B. An assignment of leases and rentals relating to the Real Estate.

The Loan will be cross-defaulted and cross-collateralized with any existing or future extensions of credit to Borrower by Bank or its affiliates.

Borrower hereby authorizes the Bank to file, in advance of closing, financing statements evidencing any security interests described above.

5. LOAN TERM:

The Line shall be payable on demand, with interest payable monthly. Subject to the continued favorable financial condition of Borrower (as determined in its sole discretion by Bank), this line of credit is available for Borrower's use through August 30, 2014 (the "Termination Date") or upon the date of the sale of all or a portion of the assets of Borrower, whichever comes first.

6. INTEREST RATE:

Except in the event that the Borrower shall default, the Loan shall bear interest at fixed rate of five percent (5.0%) per annum.

Overdue principal and (to the extent permitted by applicable law) interest on the Loan and all other amounts payable by Borrower to Bank shall bear interest payable on demand at an annual rate equal to eighteen percent (18.0%) per annum. In addition, Borrower shall pay to Bank a late charge equal to four percent (4%) of the total amount due to the Bank (including principal, interest, and other charges) for every month or fraction thereof during which any amount of principal and/or interest is not paid within ten days of the date when due or remains unpaid thereafter.

7. PAYMENTS OF PRINCIPAL AND INTEREST:

Borrower may prepay all or any portion of the Loan without penalty or premium therefor. Upon maturity or upon the sale of any part of the Collateral, or upon loss of priority for any reason, whichever occurs first, any and all principal, interest, and fees outstanding will be due in full.

8. COMMITMENT FEE:

A non-refundable Commitment Fee of Sixty Thousand and 00/100 Dollars (\$60,000.00) (the "Commitment Fee") shall be paid by Borrower to Bank upon closing of the Loan.

9. CLOSING DATE:

The Loan shall be closed and all conditions shall be satisfied on a date and time mutually satisfactory to Bank and Borrower, but no later than October 25, 2013, which time is of the essence.

If closing does not occur on or before October 25, 2013, or as otherwise set forth in a writing approving by Bank an extension, Bank shall have no further obligations hereunder.

10. BANK'S COUNSEL:

Bank counsel for this transaction will be:

Kelly McDonald, Esq.
Murray, Plumb & Murray
P.O Box 9853
75 Pearl Street
Portland, ME 04101
Telephone: 207-773-5651
Email: kmcdonald@mpmlaw.com

11. EVENTS OF DEFAULT

In addition to all usual and customary events of default for loans of this type and size, an event of default shall also include: failure to pay interest, principal or fees when due; any representation or warranty found to be materially incorrect; breach of any affirmative, negative or financial covenant; Borrower denies or contests the validity or enforceability of any Loan Documents or obligations of Borrower in respect of the Loan, or the perfection or priority of any lien granted to the Bank; or any Loan Document ceases to be in full force or effect for any reason (other than a waiver or release by the Bank); any post-petition judgment in excess of an amount to be agreed or which would operate to divest Borrower of any material assets; Borrower being enjoined from conducting business; material damage to or loss of material assets other than as contemplated in a winding down of operations; the dismissal of the Chapter 11 Case; the grant of any lien which is pari passu with or senior to those of the Bank; any payment of pre-petition debt (other than as provided herein and other than payments as may be approved by the Court that are acceptable to the Bank); the Bankruptcy Court's entry of an order granting relief from the automatic stay to permit foreclosure of security interests in assets of the Borrower upon which the Bank holds an interest; an order terminating exclusivity having been entered; any reversal, revocation or modification without the consent of the Bank of any order of the Bankruptcy Court with respect to the Chapter 11 Case and affecting the Loan; or the failure of the Bank and the Borrower to agree on and enter into mutually acceptable Documentation with respect to the Loan on or before the date that the Loan closes.

12. REMEDIES

In addition to all customary remedies, as provided for in the documentation of the Loan, upon the occurrence and during the continuance of any default, and following the giving of ten (10) business days' notice to Borrower, the Bank shall have relief from the automatic stay and may foreclose on all or any portion of the Collateral and exercise any other remedies against the Collateral permitted by applicable nonbankruptcy law. Unless during such ten (10) business-day notice period, the Bankruptcy Court determines that a default has not occurred and/or is not continuing, the automatic stay as to the Bank shall be automatically terminated at the end of such notice period and without further notice or order and Borrower waives any right to seek a reinstatement of the stay under Section 105 or otherwise. The loan documentation will provide for a remedy or remedies satisfactory to the Bank in its sole discretion that will permit the Bank to exercise foreclosure remedies upon the event of default.

13. REPRESENTATIONS AND WARRANTIES:

Borrower hereby represents and warrants that: (i) there is no litigation or similar proceeding threatened or pending against Borrower which may materially affect the value of the Collateral or the ability of Borrower to perform its obligation hereunder, other than the currently pending bankruptcy of Borrower; (ii) there exists no event or circumstance which, with notice of lapse of time, or both, would constitute grounds for termination of this Commitment; (iii) the Borrower is fully authorized to execute this Commitment; (iv) Borrower has, or prior to closing will have, a valid fee simple interest in and to the Real Estate, free and clear of all liens, charges, claims, options and other encumbrances, subject only to such liens, charges, claims, options and encumbrances as are reflected in the title insurance policy accepted by Bank; (v) all federal and state tax assessments of fees imposed upon the Real Estate have either been paid or the Bank has been granted a mortgage or lien on the Real Estate in priority to any existing or potential tax liens; (vi) no consent, approval or other authorization is required with respect to this transaction from any person or under any document by which Borrower is obligated or bound, excepting authorization from the Bankruptcy Court in relation to this Loan; (vii) Borrower has all permits, licenses and approvals required in connection with the Real Estate; and (viii) the financial condition of the Borrower has not changed since the date of its loan application and all financial information provided is true and correct. Borrower shall update the above representations and warranties and furnish at closing such additional information, representations and warranties for it or any other relevant party as Bank may request in connection with the Loan. Borrower shall provide the Bank with reasonable access to its financial records and reasonably cooperate with the Bank in providing any financial record reasonably requested.

14. CLOSING CONDITIONS:

Prior to closing of the Loan, Bank shall receive at Borrower's expense such items as Bank may reasonably require in order to demonstrate feasibility of repayment of the Loan and in order to provide security for the Loan, including without limitation, the following items, all satisfactory in form and content to Bank and its counsel in their sole discretion:

- A. Court Order. A final order (the "Court Order") entered by the United States Bankruptcy Court for the District of Maine in form and substance acceptable to the Bank approving the Loan on the conditions set forth herein including, without limitation, the approval of adequate protection for the Bank for the amount of the unpaid balance of the Loan, including principal, interest, and other charges, including attorney's fees.
- B. Due Diligence. Satisfactory completion of the due diligence review of the assets and liabilities of Borrower.
- C. Value of Collateral. Bank may obtain a current report or industry expert to opine that the value and marketability of the Collateral are satisfactory to the Bank, in its sole discretion.
- D. Insurance. Borrower shall obtain and maintain such insurance as Bank may reasonably require, including:
 - 1. Flood insurance, if the property is located in any federally designated special hazard area;
 - 2. General Liability insurance;
 - 3. Workers' Compensation Insurance, as applicable;
 - 4. Hazard insurance on the Property, the Equipment and all other tangible assets of Borrower.

These insurance policies shall name Bank as loss payee. For purposes of insurance, Bank shall be named as Camden National Bank, its successors and/or assigns, PO Box 310, Camden, ME 04843. All insurance shall be in such amounts and form and shall be issued by such insurers as shall be approved by Bank and shall require written notice to Bank at least thirty (30) days prior to cancellation, nonrenewable, modification or expiration. Proof of such insurance coverage and payment of premiums shall be delivered prior to closing of the Loan.

- E. Documentation. A loan agreement, containing such representations, warranties, covenants, conditions and requirements as Bank may require, together with a promissory note, mortgage, assignment of leases and rentals, and such other agreements and documents as Bank may require to evidence and secure the Loan, all in form and content satisfactory to Bank and its counsel. Without limiting the foregoing, the Loan documents shall: (i) prohibit any sale, assignment, pledge, transfer, mortgage or other encumbrance, or any contract to do any of the foregoing, of all or any portion of the Property without the prior written consent of Bank, and (ii) prohibit any change in the ownership or management of Borrower or in the management of the Property without prior written consent of Bank. In addition, the Loan documents shall include an agreement by Borrower to indemnify and hold the Bank and its shareholders, directors, agents, officers, subsidiaries and affiliates harmless from and against any and all damages, losses, settlement payments, obligations, liabilities, claims, actions or causes of action, and reasonable costs and expenses incurred, suffered, sustained or required to be paid by an indemnified party by reason of or resulting from the Loan, this Commitment Letter, the Documentation, the transactions contemplated hereby or any claim, litigation, investigation or proceeding relating to any of the foregoing, whether or not any of such indemnified persons is a party thereto, except to the extent resulting from the gross negligence or willful misconduct of the indemnified party as finally determined by a final non-appealable order of a court of competent jurisdiction. Such indemnity would include indemnification for the Bank exercising discretionary rights granted under the Loan. In all such litigation, or the preparation therefor, the Bank shall be entitled to select its own counsel and, in addition to the foregoing indemnity, the Borrower agrees to pay promptly the reasonable fees and expenses of such counsel.
- F. Title Insurance. An ALTA mortgagee title insurance policy covering the real estate constituting the Collateral issued by a title insurance company acceptable to Bank in the amount of the Loan containing only such liens, encumbrances and exceptions as are approved by Bank and containing such endorsements as Bank may require. Standard exceptions relating to mechanic's liens, persons in possession, and survey matters shall be deleted. A commitment dated no more than five days prior shall be delivered to Bank prior to loan closing and the final policy shall be delivered to Bank within fifteen (15) days of closing. Borrower shall pay all costs related to the issuance of the title insurance commitment, policy, and endorsements.
- G. Opinions of Counsel. Opinions of counsel for Borrower addressing such legal issues concerning the Loan in relation to the organizational documents of Borrower, due authorization for the execution and delivery of the loan documents, and compliance with zoning, land use and environmental laws.
- H. Debt subordination. Bank shall have entered into debt subordination/standstill agreements with all necessary creditors on terms satisfactory to Bank or the Court Order shall provide for such subordination.
- I. Other Matters. Such other matters or items as Bank or its counsel may reasonably require including, without limitation, any conditions set forth herein. Bank will have the option of withholding Loan disbursements until all conditions of the Commitment Letter or special conditions which Bank counsel deems necessary have been complied with to Bank's satisfaction.

15. ADVANCES AND PAYMENTS:

Advances under the Line will be subject to a minimum advance of \$25,000.00 per request.

Accrued interest on the outstanding principal balance shall be payable monthly. Unless sooner demanded, the principal balance, together with all interest and other charges, will be due and payable in full on the Termination Date.

16. FINANCIAL COVENANTS

1. Financial Statements. Bank may require interim financial statements as Bank deems appropriate.
2. Negative Pledge. Borrower will not, during the term of the Loan, create, incur, assume or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, charge or encumbrance on any of its property, nor will it file, or permit to be filed, any financing statement naming it as a debtor, other than documents filed in Borrower's pending bankruptcy case.

17. ENVIRONMENTAL ISSUES:

Borrower shall be required to demonstrate prior to closing compliance with all environmental regulations and/or requirements of local, state or federal government. Evidence of said compliance in such form as Bank may request shall be submitted to Bank not less than five (5) business days prior to closing, including any Voluntary Response Action plans and related certifications, orders and/or letters of the Maine Department of Environmental Protection or any other regulatory authority. Bank reserves the right to disapprove the loan if Bank is not satisfied with evidence of compliance with environmental laws.

Borrower agrees to indemnify, defend, and hold Bank harmless from and against any loss to Bank as a result of past, present or future transportation of hazardous or toxic materials, or disposal of hazardous or toxic materials and/or noncompliance with environmental laws or orders of any environmental regulatory authority.

18. NONASSIGNABILITY; NO THIRD PARTY BENEFICIARY:

This Commitment is issued solely for the benefit of Borrower and only for the purposes described herein. This Commitment may not be assigned without permission of Bank, and no other person(s) or party(ies) shall be a beneficiary hereof or have any rights hereunder, and no rights are conferred by this Commitment upon any other person(s) or party(ies), whether or not their name may be used or otherwise identified in this Commitment.

19. BANK NOT A JOINT VENTURER:

Bank shall not be deemed to be a partner or joint venturer with Borrower or any other parties. Borrower will indemnify and hold Bank harmless from and against any and all liabilities, damages, claims, demands, costs, expenses and attorneys' fees resulting from such a construction of the relationship of the parties.

20. COSTS AND EXPENSES:

Borrower agrees to pay all of Bank's out-of-pocket costs relating to this transaction whether or not any disbursements are made under the Loan. Such costs include, but are not limited to, the fees and costs of Bank's attorneys, consultants, and appraisers, title insurance premiums and charges, recording fees and taxes, and all other reasonable expenses in connection with the preparation, closing and disbursement of the Loan.

21. GOVERNING LAW; INTERPRETATION:

This Commitment and loan documents to be delivered pursuant thereto shall be governed by the laws of the State of Maine without reference to the choice of law rules or conflicts of law rules of that state. The headings of sections and paragraphs in this Commitment are for convenience only and shall not be construed in any way to limit or define the content, scope, or intent of the provisions hereof. As used in this Commitment, the singular shall include the plural and masculine, feminine, and neuter pronouns shall be fully interchangeable, where the context so requires. If any provision of this Commitment, or any paragraph, sentence, clause, phrase or word, or the application thereof, in any circumstances, is adjudicated to be invalid, the validity of the remainder of this Commitment shall be construed as if such invalid part were never included herein. Time is of the essence of the Commitment. All exhibits to this Commitment shall be incorporated into and made a part of this Commitment.

22. MODIFICATION:

This Commitment may not be modified or amended in any manner except by a written instrument executed by Bank and Borrower.

Borrower may not maintain any action against Bank on any agreement to lend money, extend credit, or forebear from collection of a debt, or make any other accommodation for repayment of a debt for more than \$250,000 unless the promise, contract or agreement is in writing and is signed by a duly authorized representative of Bank.

23. JURY TRIAL:

BORROWER HEREBY KNOWINGLY, EXPRESSLY, AND VOLUNTARILY WAIVES ANY AND ALL RIGHTS, WHETHER ARISING UNDER THE FEDERAL CONSTITUTION, THE MAINE CONSTITUTION, ANY RULES OF CIVIL PROCEDURE, COMMON LAW, OR ANY OTHER RULES OR LAW, TO DEMAND A TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING, COUNTERCLAIM, CROSS-CLAIM, THIRD-PARTY CLAIM, OR LITIGATION OF ANY TYPE INVOLVING THE BANK AS TO ANY MATTER, CLAIM, OR CAUSE OF ACTION WHATSOEVER ARISING OUT OF OR IN ANY WAY RELATED TO THIS COMMITMENT, ANY AGREEMENT WITH THE BANK, ANY GUARANTEE, LOAN, OR MORTGAGE WITH THE BANK, OR ANY TRANSACTION BETWEEN THE PARTIES OR CONTEMPLATED BETWEEN THE PARTIES AND AGREE NOT TO SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. BORROWER UNDERSTANDS THAT THE FOREGOING WAIVER IS NOT SUBJECT TO ANY EXCEPTIONS AND THAT THE BANK HAS NOT REPRESENTED THAT THE PROVISIONS OF THE WAIVER WILL NOT BE ENFORCED.

24. VENUE:

In the event any litigation shall arise out of this Commitment, the prevailing party shall be entitled to recover all costs incurred in connection with such litigation, including reasonable attorneys' fees at both the trial and appellate levels. The parties agree that the exclusive venue for any such action that is not within the jurisdiction of the Bankruptcy Court shall be the courts of the State of Maine.

25. ATTORNEYS' FEES:

All legal fees and other hard costs incurred by Bank relating to the Loan including, without limitation, fees relating to preparation of loan documents shall be paid by Borrower, regardless of whether or not the Loan closes.

26. TERMINATION:

This Commitment may be terminated at Bank's option by written notice to Borrower at the address set forth above upon the occurrence of any of the following events:

- A. Any change in the financial condition of Borrower, subsequent to the above date of this commitment which is, in the sole discretion of Bank, material and adverse.
- B. If any statement or representation made by Borrower in this Commitment or in support of the Loan shall prove untrue or Borrower shall be unable to fulfill any conditions to closing set forth herein.
- C. Default by Borrower under any other loan or extension of credit by Bank to Borrower. Any termination of this Commitment shall not affect Bank's rights to enforce the provisions of this commitment relating to payment of its commitment fee or payment or reimbursement of its costs and expenses, including attorneys' fees, which rights shall survive any such termination.
- C. Any of the Closing Conditions set forth in Section 14 of this Commitment are not met.

This Commitment shall survive the loan closing, and each of the obligations and undertakings of Borrower hereunder shall be continuing and shall not cease until the Loan, together with all accrued interest and charges, has been paid in full.

27. ACCEPTANCE:

If the terms and conditions contained herein meet with your approval, please indicate your acceptance by signing and returning this original Commitment letter by the close of business on October 11, 2013. This Commitment shall be null and void if not accepted by the above-referenced date.

By your acceptance of this letter, Borrower acknowledges that this commitment is an outline of the principal understandings which are anticipated to be the basis for the terms of the final Loan. It has been issued before Bank has undertaken a full business, credit and legal analysis of Borrower and the transaction contemplated hereby. As a result of further investigation, information may come to Bank's attention of which it is not now aware which could preclude a closing or as a result of which Bank may require that the Loan and the terms contemplated hereby be restructured or otherwise modified.

Very truly yours,

CAMDEN NATIONAL BANK

By: 

Its: SVP

Accepted this _____ day of _____, 2013.

BORROWER:

By: _____
Its _____, duly authorized

Footnote

Montreal, Maine & Atlantic Railway Revised Budget 9/20/2013																FORECAST									
	ACTUAL WIE 9/8/2013	ACTUAL WIE 9/13/2013	ACTUAL WIE 9/20/2013	ACTUAL WIE 9/27/2013	WIE 10/4/2013	WIE 10/11/2013	WIE 10/18/2013	WIE 10/25/2013	WIE 11/1/2013	WIE 11/8/2013	WIE 11/15/2013	WIE 11/22/2013	WIE 11/29/2013	WIE 12/6/2013	WIE 12/13/2013	WIE 12/20/2013	WIE 12/27/2013								
Net Freight Revenue	159,917	140,838	169,338	185,162	160,000	160,000	160,000	160,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	125,000								
Switching					40,000	-	-	-	40,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	125,000								
Total Frt/Switch Revenue					200,000	160,000	160,000	160,000	215,000	175,000	175,000	175,000	175,000	215,000	175,000	175,000	125,000								
Receipts:																									
Transportation Revenue																									
1 Freight Revenue and Zone Switching	\$	171,524	\$	398,111	\$	233,278	\$	41,312	\$	173,559	\$	70,000	\$	-	\$	-	\$	130,000	\$	130,000	\$	120,000			
2 ISS Settlement	(27,431)				151,494													75,000							
3 Customer Settlements					50,000		150,000							50,000				25,000							
Other Operating Revenue																									
Sub Total - Transportation Revenue		144,093	398,111	233,278	41,312	375,053	70,000	150,000	-	-	50,000	125,000	125,000	230,000	130,000	130,000	120,000								
Other Operating Revenue																									
Switching & Miscellaneous																									
4 Railroad Storage	85000																								
Contract Shop & Car Repairs			156																						
Equipment Rental					37,000																				
Car Hire Revenue (Payable)					26,491																				
Sub Total - Other Operating Revenue		85,000	156	-	26,491	37,000	-	-	-	-	-	-	-	-	-	-	-	16,000	18,500	-	20,000				
Non-Operating Revenue																									
Scrap Sales																									
Private & Gov't Reimbursements			90,500																						
Travelers - Ins Settlement						240,706																			
Sub Total - Non-Operating Revenue		-	90,500	-	240,706	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Total Cash Receipts	229,093	488,767	233,278	309,509	412,053	70,000	150,000	-	-	50,000	125,000	141,000	125,000	245,500	130,000	130,000	140,000								
Disbursements:																									
Transportation Revenue Offsets																									
7 NSR, MNR, SLO, CN					-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Sub Total - Transportation Revenue Offsets					-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Payroll & Related																									
8 Salaries, Wages & Commissions US	66,071	142,760	6,498	86,663	63,415		157,500	194,599	194,599	31,500	31,500	31,500	31,500	31,500	31,500	31,500	194,599	31,500	31,500	31,500	194,599	194,599			
Employee Benefits & Claims - US	5,562	49,730	36,174	22,276	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500	31,500				
8 Salaries, Wages & Commissions CDN	88,933		78,527		84,000		103,426	118,201	118,201	118,201	118,201	118,201	118,201	118,201	118,201	118,201	118,201	118,201	118,201	98,501	98,501				
Group Health, pension and union dues- CDN	21,588	27,919		8,545	31,400		14,400	39,400	14,400	-	14,400	-	14,400	-	14,400	-	14,400	25,000	-	-	14,400				
Aetna Paid Dues	-	-						100,000																	
Vacation pay arrears - CDN								50,000																	
Sub Total - Payroll & Related	182,154	220,409	121,199	117,464	210,315	31,500	306,626	181,500	383,700	31,500	358,700	31,500	358,700	56,500	339,000	31,500	339,000	31,500	31,500	31,500	339,000				
Materials & Supplies																									
Diesel Fuel					-		25,200	31,500	31,500	31,500	31,500	31,500	31,500	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000				
Material/Repair Costs US	5,297			772	13,000	10,000	10,000	45,000	20,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000				
Material/Repair Costs CDN	5,668	37,853	54,158	0	25,000	10,000	35,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000				
Sub Total - Material & Supplies	10,965	37,853	54,158	772	38,000	20,000	70,200	86,500	61,500	61,500	61,500	61,500	61,500	51,500	51,500	51,500	45,000	45,000	45,000	45,000	45,000				
Freight Car & Locomotive Expense																									
Leases - Car	-	-			20,000				10,000								10,000								
Leases - Locomotive	-	-			15,000				15,000								15,000								
Car Hire	-	-			-			-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Car Repair Net	-	-			512																				
Sub Total - Freight Car & Locomotive	-	-			512	35,000	-	-	-	-	-	-	-	-	-	-	25,000	-	-	-	-				
Other Operating Costs																									
Rent	15,770				20,000			20,000									20,000								
Electricity	1,749			2,804	9,000			9,000									9,000								
Heat at Derby maintenance facility	-							2,700	2,700	2,700	2,700	2,700	2,700	5,400	5,400	5,400									
Utility Deposits	11,780				22,500																				
Insurance Payments	43,284	8,421		836	73,406			29,906	43,500								29,906	43,500							
Bank Chqes Interest Exp/Points	-							1,000	933								1,000	7,172							
2% Points for New Financing	-				46,255																				
Rail Testing	-																								
Brush Cutting in Canada	-							88,000																	
Favorable Purchase Option for 14 CK cars	-																								
Post-Petition A/P (9/13)	4,441	47,715	1,717	13,271	44,339	16,500	16,500	34,500	25,000	25,000	25,000	25,000	25,000	36,500	25,000	25,000									
Phone, Internet, Radio, Other expenses	77,024	102,391	2,553	32,947	169,305	16,500	166,500	201,066	71,200	27,700	27,700	27,700	64,736	107,978	73,900	30,400	31,400								
Sub Total - Rent, Heat & Utilities	270,143	360,653	177,910	151,515	539,243	68,000	563,526	382,000	671,267	154,200	437,900	110,700	474,936	234,478	105,900	105,900	415,400								
Total Operating Disbursements	(41,060)	128,114	55,368	156,664	(128,160)	2,000	(413,526)	(382,000)	(671,267)	(104,200)	(312,900)	30,300	(348,336)	14,022	(327,900)	23,100	(275,400)								
Net Cash Inc(Dec) From Ops																									

Montreal, Maine & Atlantic Railway
Revised Budget 9/20/2013

	ACTUAL W/E 9/8/2013	ACTUAL W/E 9/13/2013	ACTUAL W/E 9/20/2013	ACTUAL W/E 9/27/2013	W/E 10/4/2013	W/E 10/11/2013	W/E 10/18/2013	W/E 10/25/2013	W/E 11/1/2013	W/E 11/8/2013	W/E 11/15/2013	W/E 11/22/2013	W/E 11/29/2013	FORECAST		
														W/E 12/6/2013	W/E 12/13/2013	W/E 12/20/2013
SUMMARY																
Cash Beginning	281,467 \$	240,417	366,531	423,899	580,793	454,603	456,603	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Net Weekly Cash Flow	(41,050)	128,114	55,368	156,894	(126,180)	2,000	(413,526)	(382,000)	(671,267)	(104,200)	(312,900)	30,300	(349,936)	14,022	(327,900)	23,100
Financing Advance(Paydowns)				-			256,923	382,000	671,267	104,200	312,900	(30,300)	349,936	(14,022)	327,900	(23,100)
14 Cash Ending	\$ 240,417	\$ 368,531	\$ 423,899	\$ 580,793	\$ 454,603	\$ 456,603	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Principal Bal New Financing								256,923	638,923	1,310,190	1,414,380	1,727,280	1,886,980	2,046,926	2,032,905	2,360,805
Net Weekly Cash Advance(Paydown)							256,923	382,000	671,267	104,200	312,900	(30,300)	349,936	(14,022)	327,900	(23,100)
End of Period Principal Balance							256,923	638,923	1,310,190	1,414,380	1,727,280	1,886,980	2,046,926	2,032,905	2,360,805	2,337,705
																2,615,105

Montreal, Maine & Atlantic Railway
Revised Budget 9/20/2013

	WIE 1/3/2014	WIE 1/10/2014	WIE 1/17/2014	WIE 1/24/2014	WIE 1/31/2014	Total
Net Freight Revenue	125,000	175,000	175,000	175,000	175,000	3,309,500
Switching	40,000					160,000
Total Frt/Switch Revenue	165,000	175,000	175,000	175,000	175,000	3,469,500

Receipts:

1 Transportation Revenue	\$ 100,000	\$ 200,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 1,908,599
1 Freight Revenue and Zone Switching						
2 ISS Settlement	150,000					376,404
3 Customer Settlements						275,000
Other Operating Revenue						
Sub Total - Transportation Revenue	250,000	200,000	160,000	160,000	160,000	2,560,053
Other Operating Revenue						
Switching & Miscellaneous						-
4 Railroad Storage					20,000	58,000
Contract Shop & Car Repairs						
Equipment Rental						55,500
5 Car Hire Revenue (Payable)						-
Sub Total - Other Operating Revenue	-	-	-	-	20,000	111,500
Non-Operating Revenue						
Scrap Sales						-
Private & Gov't Re-imbursements						-
6 Travelers - Ins Settlement						-
Sub Total - Non-Operating Revenue						-
Total Cash Receipts	250,000	200,000	160,000	160,000	180,000	2,671,553

Disbursements:

7 Transportation Revenue Offsets						85,623
NBSR MNR SLO CN						
Sub Total - Transportation Revenue Offsets	-	-	-	-	-	85,623
Payroll & Related						
8 Salaries, Wages & Commissions US		194,599			194,599	1,583,108
Employees Benefits & Claims - US		31,500			31,500	472,500
8 Salaries, Wages & Commissions CDN	98,501			98,501		998,035
Group Health, pension and union dues- CDN	25,000	14,400		14,400		221,600
9 Aetna Paid Dues						100,000
Vacation pay arrears - CDN						80,000
Sub Total - Payroll & Related	25,000	112,901	226,099	112,901	226,099	3,363,243
Materials & Supplies						
Diesel Fuel	35,000	35,000	35,000	35,000	35,000	529,200
Material/Repair Costs US	5,000	5,000	5,000	5,000	5,000	183,000
Material/Repair Costs CDN	5,000	5,000	5,000	5,000	5,000	175,000
Sub Total - Material & Supplies	45,000	45,000	45,000	45,000	45,000	887,200
Freight Car & Locomotive Expense						
Leases - Car	10,000					50,000
Leases - Locomotive	15,000					60,000
Car Hire						-
Car Repair Net						512
Sub Total - Freight Car & Locomotive	25,000	-	-	-	-	110,512
Other Operating Costs						
Rent	20,000					80,000
Electricity	9,000					36,000
Heat at Derby maintenance facility	5,400	5,400	5,400	5,400	5,400	62,100
Utility Deposits						22,500
Insurance Payments	29,906	43,500				268,624
11 Bank Chqes Interest Exp/Points		11,534		1,000		23,640
2% Points for New Financing						60,000
Rail Testing						98,000
Rail Cutting in Canada						70,000
Favorable Purchase Option for 14 CK cars	35,500	25,000	25,000	25,000	25,000	110,000
12 Post-Petition A/P (8/13)						484,889
Phone, Internet, Radio, Other expenses	100,805	85,454	30,400	30,400	37,400	1,400,526
Sub Total - Rent, Heat & Utilities	195,806	243,355	307,499	168,301	302,499	5,947,404
Total Operating Disbursements						
13 Net Cash Inc(Dec) From Ops	54,194	(43,355)	(147,499)	(28,301)	(122,499)	(3,175,851)

	WIE 1/3/2014	WIE 1/10/2014	WIE 1/17/2014	WIE 1/24/2014	WIE 1/31/2014	Total
SUMMARY						
Cash Beginning	300,000	300,000	300,000	300,000	300,000	560,793
Net Weekly Cash Flow	54,194	(43,335)	(141,499)	(28,301)	(122,499)	(3,175,339)
Financing Advance(Paydowns)	(54,194)	43,335	141,499	28,301	122,499	2,894,546
14 Cash Ending	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Principal Bal New Financing						
Net Weekly Cash Advance(Paydown)	2,613,105	2,558,911	2,602,247	2,743,746	2,772,047	
End of Period Principal Balance	(54,194)	43,335	141,499	28,301	122,499	
	2,558,911	2,602,247	2,743,746	2,772,047	2,894,546	

Montreal, Maine & Atlantic Railway

FOOTNOTES:

- 1

It is assume new financing begins for w/e 10/18 and all collections of AR for Sales and Misc Income existing at 10/11 are remitted to Wheeling and not available to fund the operations of MMA. AR for Sales created post w/e 10/11 begin to collect in w/e 11/15.
- 2

The 75k ISS settlement in w/e 12/6 represents MMA's 2 weeks share of net revenue for October.
- 3

Represents confirmed contractual settlements with customers; these proceeds are not subject to Wheeling's liens.
- 4

Only remaining significant railcar lessor that stores cars at MMA is First Union Railcar, who prepaid storage thru end of Jan '13 in w/e 9/6/13.
- 5

Represents maintenance equipment owned by MMA and leased on a monthly basis to MNR. It is assumed equipment is returned to MMA at end of October
- 6

Represents partial damage claim settlement with Travelers for the Megantic incident.
- 7

85k payable in w/e is claim from MNR haulage reimbursement due for Aug '13 and early Sept haulage before implementation of Rule 11 by MNR.
- 8

Assumes 16 and 7 employee hires to provide two person road crews on all trains and addl maintenance employees for US & Canada, respectively; these employees are scheduled to begin on Monday in w/e 10/18, which increases the payroll to be paid for w/e 11/1. Canadian payroll includes a 20% increase for expedited over time hours for track maintenance from mid Oct thru mid Nov.
- 9

100k represents unpaid US employee pre-petition health claims, which were approved for payment by US Bk Court.
- 10

50k represents payment of vacation claims for Canadian employees that were laid off in July and Aug '13.
- 11

Interest rate is assumed to be 5%.
- 12

110k represents 50k in estimated total unpaid post-petition payables as of 9/13 and 60k in unpaid pre-petition Maine Use Taxes; the latter will not be paid without first receiving US Bk Court approval.
- 13

Net Cash Inc(Dec) is BEFORE payment of professional fees and the following capital improvement projects:

Canadian:	
Megantic reconnect	1,523,000
Repair Farmham yard tracks	1,000,000
Repair line betw Sherbrooke & Megantic	200,000
Repair Sherbrooke yard	250,000
	<u>2,973,000</u>
US:	
Frankfort bridge repair	<u>250,000</u>
- 14

For illustration purposes, it is assumed that MMA maintains a cash balance of approx 300k for operating liquidity.



Search Results

**WILLIAM RICHARDSON
VERRILL & DANA, LLP
1 Portland Sq
9th Floor
Portland, ME 04101-4054**

**Date: 07/23/2013
Order #: 39080677
Customer #: 505693
Reference 1: 40231-9024
Reference 2: --**

Target Name: Montreal, Maine & Atlantic Railway, Ltd.

Jurisdiction: Secretary of State, Delaware

Search Type: Federal Tax Lien

Results: No Records Found /See Attached Certified Search

Searched Through: 07/16/2013

Searched: 10 Years

Search Type: UCC Lien

Results: See Attached Certified Search with 22 Copies Attached

Searched Through: 07/16/2013

Searched: 5 Years

**SARAH MAHRT
Columbus Team 2
4400 Easton Commons Way
Suite 125
Columbus, OH 43219
(800) 713-0710 Ext.3293
sarah.mahrt@wolterskluwer.com**

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Delaware

PAGE 1

The First State

CERTIFICATE

SEARCHED JULY 23, 2013, AT 9:33 A.M.
FOR DEBTOR "MONTREAL, MAINE & ATLANTIC RAILWAY, LTD."

1 OF 5 FINANCING STATEMENT 92731773
EXPIRATION DATE: AUGUST 25, 2014
DEBTOR: MONTREAL, MAINE & ATLANTIC RAILWAY, LTD.
15 IRON ROAD ADDED 08-25-09
HERMON ME 04401
SECURED: WHEELING & LAKE ERIE RAILWAY COMPANY
100 EAST FIRST STREET ADDED 08-25-09
BREWSTER OH 44513
F I L I N G H I S T O R Y
92731773 FILED 08-25-09 AT 4:15 P.M. FINANCING STATEMENT


2 OF 5 FINANCING STATEMENT 93772578
EXPIRATION DATE: NOVEMBER 24, 2014
DEBTOR: MONTREAL, MAINE & ATLANTIC RAILWAY, LTD.
15 IRON ROAD ADDED 11-24-09
ATTN: PRESIDENT
HERMON ME 04401
SECURED: BANGOR SAVINGS BANK
99 FRANKLIN ST. ADDED 11-24-09
P.O. BOX 930
ATTN: COMMERCIAL LOAN DEPT.
BANGOR ME 04402
F I L I N G H I S T O R Y
93772578 FILED 11-24-09 AT 1:33 P.M. FINANCING STATEMENT

3 OF 5 FINANCING STATEMENT 01947534
EXPIRATION DATE: JUNE 3, 2015
DEBTOR: MONTREAL, MAINE & ATLANTIC RAILWAY, LTD.
15 IRON ROAD ADDED 06-03-10
HERMAN ME 04401
SECURED: FCM RAIL, LTD.
15173 NORTH RD. ADDED 06-03-10
FENTON MI 48430
F I L I N G H I S T O R Y
01947534 FILED 06-03-10 AT 9:15 P.M. FINANCING STATEMENT



20132830330UCXN

130905944


Jeffrey W. Bullock, Secretary of State

AUTHENTICATION: 0606410

DATE: 07-23-13

Delaware

PAGE 2

The First State

4 OF 5 FINANCING STATEMENT 04366435
EXPIRATION DATE: DECEMBER 10, 2015
DEBTOR: MONTREAL, MAINE & ATLANTIC RAILWAY, LTD.
15 IRON ROAD ADDED 12-10-10
HERMON ME 04401
SECURED: UNITED STATES OF AMERICA BY SECRETARY OF TRANSPORTATION
ACTING THROUGH ADMINISTRATOR OF FEDERAL RAILRO
FEDERAL RAILROAD ADMINISTRATION ADDED 12-10-10
400 SEVENTH STREET, SW
WASHINGTON DC 20590
F I L I N G H I S T O R Y
04366435 FILED 12-10-10 AT 1:31 P.M. FINANCING STATEMENT
10156615 FILED 01-14-11 AT 10:41 A.M. AMENDMENT


5 OF 5 PUBLIC FINANCE 20770703
EXPIRATION DATE: NONE
DEBTOR: MONTREAL, MAINE & ATLANTIC RAILWAY, LTD.
15 IRON ROAD ADDED 02-28-12
HERMON ME 04401
SECURED: STATE OF MAINE, DEPARTMENT OF TRANSPORTATION
16 STATE HOUSE STATION ADDED 02-28-12
AUGUSTA ME 04333-0016
F I L I N G H I S T O R Y
20770703 FILED 02-28-12 AT 4:27 P.M. PUBLIC FINANCE
E N D O F F I L I N G H I S T O R Y

THE UNDERSIGNED FILING OFFICER HEREBY CERTIFIES THAT THE
ABOVE LISTING IS A RECORD OF ALL PRESENTLY EFFECTIVE FINANCING
STATEMENTS, FEDERAL TAX LIENS AND UTILITY SECURITY INSTRUMENTS
FILED IN THIS OFFICE WHICH NAME THE ABOVE DEBTOR, AS OF JULY 16,
2013 AT 11:59 P.M.



20132830330UCXN

130905944


Jeffrey W. Bullock, Secretary of State

AUTHENTICATION: 0606410

DATE: 07-23-13

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]	
Lara Neumark	3122665941
B. SEND ACKNOWLEDGMENT TO: (Name and Address)	
MRDLAW	
676 N. MICHIGAN AVE., SUITE 2800	
CHICAGO IL 60611	

DELAWARE DEPARTMENT OF STATE
U.C.C. FILING SECTION
FILED 04:15 PM 08/25/2009
INITIAL FILING # 2009 2731773
SRV: 090806180

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> debtor name (1a or 1b) - do not abbreviate or combine names					
1a. ORGANIZATION'S NAME MONTREAL, MAINE & ATLANTIC RAILWAY, LTD.					
OR	1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 15 IRON ROAD		CITY HERMON	STATE ME	POSTAL CODE 04401	COUNTRY US
1e. TYPE OF ORGANIZATION CORPORATION		1f. JURISDICTION OF ORGANIZATION DE			
2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> debtor name (2a or 2b) - do not abbreviate or combine names					
2a. ORGANIZATION'S NAME					
OR	2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE	COUNTRY
2e. TYPE OF ORGANIZATION		2f. JURISDICTION OF ORGANIZATION			
3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only <u>one</u> secured party name (3a or 3b)					
3a. ORGANIZATION'S NAME WHEELING & LAKE ERIE RAILWAY COMPANY					
OR	3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 100 EAST FIRST STREET		CITY BREWSTER	STATE OH	POSTAL CODE 44513	COUNTRY US
4. This FINANCING STATEMENT covers the following collateral:					

All of Debtor's inventory, accounts and payment intangibles (as those terms are defined in the Uniform Commercial Code) whether now owned or hereafter acquired or arising and all proceeds including insurance proceeds thereof.

6. <input type="checkbox"/> This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]	7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional]	<input type="checkbox"/> All Debtors	<input type="checkbox"/> Debtor 1	<input type="checkbox"/> Debtor 2
8. OPTIONAL FILER REFERENCE DATA				

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]	
Janice McNally	2079470111
B. SEND ACKNOWLEDGMENT TO: (Name and Address)	
EATON PEABODY P.O. BOX 1210 BANGOR ME 04402	

DELAWARE DEPARTMENT OF STATE
U.C.C. FILING SECTION
FILED 01:33 PM 11/24/2009
INITIAL FILING # 2009 3772578
SRV: 091044724

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> debtor name (1a or 1b) - do not abbreviate or combine names				
1a. ORGANIZATION'S NAME MONTREAL, MAINE & ATLANTIC RAILWAY, LTD.				
OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 15 IRON ROAD ATTN: PRESIDENT		CITY HERMON	STATE ME	POSTAL CODE 04401
		1e. TYPE OF ORGANIZATION CORPORATION	1f. JURISDICTION OF ORGANIZATION DE	COUNTRY US

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> debtor name (2a or 2b) - do not abbreviate or combine names				
2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
		2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	COUNTRY

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only <u>one</u> secured party name (3a or 3b)				
3a. ORGANIZATION'S NAME BANGOR SAVINGS BANK				
OR				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 99 FRANKLIN ST. P.O. BOX 930 ATTN: COMMERCIAL LOAN DEBANGOR		CITY	STATE ME	POSTAL CODE 04402
				COUNTRY US

4. This FINANCING STATEMENT covers the following collateral:

All books, records, documents and instruments related to the following locomotives owned by the Debtor, as more particularly described in a certain Security Agreement between Debtor and the Secured Party, dated November 20, 2009, together with all substitutes and replacements for, accessions, attachments, and other additions to, and tools, parts, and equipment used in connection with the foregoing locomotives, whether now or hereafter existing:

Three (3) EMD GP7 Locomotives, Identification Numbers:

1. MMAL 21
2. MMAL 23
3. MMAL 100

One (1) EMD GP9 Locomotive, Identification Number:
MMAL 79

One (1) GE B23-7 Locomotive, Identification Number:

6. <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable)	7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (ADDITIONAL FEE) (optional)	<input type="checkbox"/> All Debtors	<input type="checkbox"/> Debtor 1	<input type="checkbox"/> Debtor 2
8. OPTIONAL FILER REFERENCE DATA				

UCC FINANCING STATEMENT ADDENDUM - COLLATERAL

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT			
OR	9a. ORGANIZATION'S NAME		
	MONTREAL, MAINE & ATLANTIC RAILWAY, LTD.		
	9b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME, SUFFIX

This FINANCING STATEMENT covers the following collateral

MMAL 2000

Eight (8) GE B39-8 Locomotives, Identification Numbers:

1. MMAL 8525
2. MMAL 8541
3. MMAL 8546
4. MMAL 8553
5. MMAL 8569
6. MMAL 8578
7. MMAL 8583
8. MMAL 8592

Twelve (12) GE C30-7 Locomotives, Identification Numbers:

1. MMAL 3000
 2. MMAL 3603
 3. MMAL 3609
 4. MMAL 3613
 5. MMAL 3614
 6. MMAL 5016
 7. MMAL 5017
 8. MMAL 5018
 9. MMAL 5021
 10. MMAL 5023
 11. MMAL 5026
 12. MMAL 5078
-

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]	
8008335778	
B. SEND ACKNOWLEDGMENT TO: (Name and Address)	
UCC DIRECT SERVICES	
2727 ALLEN PARKWAY	
SUITE 1000	
HOUSTON TX 77019	

DELAWARE DEPARTMENT OF STATE
U.C.C. FILING SECTION
FILED 09:15 PM 06/03/2010
INITIAL FILING # 2010 1947534
SRV: 100627797

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> debtor name (1a or 1b) - do not abbreviate or combine names					
1a. ORGANIZATION'S NAME MONTREAL, MAINE & ATLANTIC RAILWAY, LTD.					
OR	1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 15 IRON ROAD		CITY HERMAN	STATE ME	POSTAL CODE 04401	COUNTRY US
1e. TYPE OF ORGANIZATION CORPORATION		1f. JURISDICTION OF ORGANIZATION DE			
2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> debtor name (2a or 2b) - do not abbreviate or combine names					
2a. ORGANIZATION'S NAME					
OR	2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE	COUNTRY
2e. TYPE OF ORGANIZATION		2f. JURISDICTION OF ORGANIZATION			
3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only <u>one</u> secured party name (3a or 3b)					
3a. ORGANIZATION'S NAME FCM RAIL, LTD.					
OR	3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 15173 NORTH RD.		CITY FENTON	STATE MI	POSTAL CODE 48430	COUNTRY US

4. This FINANCING STATEMENT covers the following collateral:

2010 Heat Booms/N: 3041342010 Grapples/N: 331812Total Replacement Cost:
\$26,950.00

5. ALTERNATIVE DESIGNATION - Lessee-Lessor				
6. <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable)		7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (ADDITIONAL FEE) (optional)		<input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2
8. OPTIONAL FILER REFERENCE DATA DE-0-41962375				

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

DELAWARE DEPARTMENT OF STATE
U.C.C. FILING SECTION
FILED 01:31 PM 12/10/2010
INITIAL FILING # 2010 4366435

SRV: 101173518

A. NAME & PHONE OF CONTACT AT FILER [optional]	
B. SEND ACKNOWLEDGMENT TO: (Name and Address)	
CSC 2711 CENTERVILLE ROAD SUITE 400 WILMINGTON, DE 19808	

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME						
Montreal, Maine & Atlantic Railway, Ltd.						
OR	1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
1c. MAILING ADDRESS			CITY	STATE	POSTAL CODE	COUNTRY
15 Iron Road			Hermon	ME	04401	USA
1d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION	1f. JURISDICTION OF ORGANIZATION	1g. ORGANIZATIONAL ID #, if any		
		Corporation	DE	3583244 <input type="checkbox"/> NONE		

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME						
OR	2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
2c. MAILING ADDRESS			CITY	STATE	POSTAL CODE	COUNTRY
2d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any		
				<input type="checkbox"/> NONE		

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME						
United States of America by Secretary of Transportation Acting Through Administrator of Federal Railroad Administration						
OR	3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
3c. MAILING ADDRESS			CITY	STATE	POSTAL CODE	COUNTRY
Federal Railroad Administration 400 Seventh Street, SW			Washington	DC	20590	USA

4. This FINANCING STATEMENT covers the following collateral:

See Collateral Description attached hereto and made a part hereof.

5. ALTERNATIVE DESIGNATION (if applicable):	LESSEE/LESSOR	CONSIGNEE/CONSIGNOR	BAILEE/BAILOB	SELLER/BUYER	AG. LIEN	NON-UCC FILING
6. This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable)	7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (optional)		All Debtors Debtor 1 Debtor 2			
8. OPTIONAL FILER REFERENCE DATA						

FILE WITH THE DE SOS

COLLATERAL DESCRIPTION

This FINANCING STATEMENT covers the following collateral:

The following-described property and interests: (a) all rents, issues, profits, revenues, royalties, bonuses, rights and benefits under any and all leases or tenancies now existing or hereafter created on the Realty (as defined below), or any part thereof, and all payments received for the use or occupancy of rooms and other public facilities in hotels, motels, and other public lodging facilities at the Realty; and (b) all judgments, awards of damages and settlements hereafter made as a result of any award that may become due to Debtor by reason of the taking by eminent domain of the whole or any part of the Realty or any rights appurtenant thereto, including any award for change of grade of streets; and (c) all personal property of Debtor situated on or affixed to the Realty, including without limitation all building materials, supplies and lumber to be incorporated in the Realty; (d) all rail lines and related tracks and improvements located within the United States of America, including all rail, ties, bridge and related assets; (e) all of Debtor's right, title and interest under any contracts or agreements relating in any way to the construction of any improvements on the Realty, including without limitation all construction contracts and subcontracts, design contracts, and all other contracts and agreements between Debtor and any of Debtor's general contractors, subcontractors, architects, engineers, consultants, material providers or other parties providing any goods or services in connection with construction upon all or any portion of the Realty, together with all plans, specifications, drawings, surveys, engineering and all other site reports, studies, and assessments related to the Realty, or to any portion thereof; and (f) all notes, drafts, instruments, acceptances or other evidence of any rents, issues, profits, revenues, royalties, bonuses, rights, benefits, payments, sums of money and accounts receivable arising from the Realty or from any of the foregoing categories of property; and (g) all cash and non-cash proceeds of all or any of the foregoing property, all replacements of, and additions and accessions to, said property, and all similar property now owned or hereafter acquired by Debtor. As used herein, the term Realty means the real property in Maine owned by Debtor, located in Northern Aroostook, Southern Aroostook, Piscataquis, Penobscot, Somerset, Franklin and Waldo Counties and described in Exhibit A to that certain Mortgage, Security Agreement and Financing Statement of March 24, 2005, granted by Debtor to Secured Party and filed or to be filed in the Northern Aroostook, Southern Aroostook, Piscataquis, Penobscot, Somerset, Franklin and Waldo County Registries of Deeds and the real property in Vermont owned by Debtor and located in the Towns of Newport, Troy and Richford and in the City of Newport and described in Exhibit A to that certain Mortgage, Security Agreement and Financing Statement of March 24, 2005, granted by Debtor to the Secured Party and filed or to be filed in the Vermont Towns of Newport, Troy and Richford and the City of Newport, Vermont, Registries of Deeds.

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

DELAWARE DEPARTMENT OF STATE
U.C.C. FILING SECTION
FILED 10:41 AM 01/14/2011
INITIAL FILING # 2010 4366435
AMENDMENT # 2011 0156615
SRV: 110044527

A. NAME & PHONE OF CONTACT AT FILER (optional)

B. SEND ACKNOWLEDGEMENT TO: (Name and Address):

CSC
2711 Centerville Road
Suite 400
Wilmington, DE 19808

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE #

2010 4366435

1b. This FINANCING STATEMENT AMENDMENT is
to be filed (for record) (or recorded) in the☐ REAL ESTATE RECORDS.2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.3. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the
addition period provided by applicable law.4. ☐ ASSIGNMENT (☐ full or ☐ partial): Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 9.5. ☐ AMENDMENT (PARTY INFORMATION) This Amendment affects ☐ Debtor or ☐ Secured Party of record. Check only one of these two boxes.Also check one of the following three boxes and provide appropriate information in items 6 and/or 7.☐ CHANGE name and/or address: Give current record name in item 6a or 6b; also give new name (if
name change) in item 7a or 7b and/or new address (if address change) in item 7c.☐ DELETE name: Give record name
to be deleted in item 6a or 6b.☐ ADD name: Complete item 7a or 7b and also
item 7c, also complete items 7d-7g (if applicable).

6. CURRENT RECORD INFORMATION:

6a. ORGANIZATION'S NAME

O
R

6b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

7. CHANGED (NEW) OR ADDED INFORMATION:

7a. ORGANIZATION'S NAME

O
R

7b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

7c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

7d. TAX ID #: SSN OR EIN

ADD'L INFO RE
ORGANIZATION
DEBTOR

7e. TYPE OF ORGANIZATION

7f. JURISDICTION OF ORGANIZATION

7g. ORGANIZATION ID # if any

** ☐ NONE8a. ☒ AMENDMENT (COLLATERAL CHANGE): Check only one of the two boxes below.Describe collateral ☐ deleted or ☐ added, or give entire ☒ restated collateraldescription, or describe collateral ☐ assigned.8b. ☐ AMENDMENT (OTHER): Describe other amendment

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds

collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check ☐ and enter name of DEBTOR authorizing this Amendment.

8a. ORGANIZATION'S NAME

O
R

United States of America by Secretary of Transportation Acting Through Administrator

8b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

of Federal Railroad Administration

10. OPTIONAL FILER REFERENCE DATA

File with Delaware SOS

* Optional

** Not required for filings in the State of Delaware

DELAWARE UCC FINANCING STATEMENT AMENDMENT (FORM UCC3-ALT) (REV. 8/1/09)

This FINANCING STATEMENT covers the following collateral:

The following-described property and interests: (a) all rents, issues, profits, revenues, royalties, bonuses, rights and benefits under any and all leases or tenancies now existing or hereafter created on the Realty (as defined below), or any part thereof, and all payments received for the use or occupancy of rooms and other public facilities in hotels, motels, and other public lodging facilities at the Realty; and (b) all judgments, awards of damages and settlements hereafter made as a result of any award that may become due to Debtor by reason of the taking by eminent domain of the whole or any part of the Realty or any rights appurtenant thereto, including any award for change of grade of streets; and (c) all personal property of Debtor situated on or affixed to the Realty, including without limitation all building materials, supplies and lumber to be incorporated in the Realty; (d) all rail lines and related tracks and improvements located within the United States of America, but not in the Excluded Real Estate (as defined below), including all rail, ties, bridge and related assets; (e) all of Debtor's right, title and interest under any contracts or agreements relating in any way to the construction of any improvements on the Realty, including without limitation all construction contracts and subcontracts, design contracts, and all other contracts and agreements between Debtor and any of Debtor's general contractors, subcontractors, architects, engineers, consultants, material providers or other parties providing any goods or services in connection with construction upon all or any portion of the Realty, together with all plans, specifications, drawings, surveys, engineering and all other site reports, studies, and assessments related to the Realty, or to any portion thereof; and (f) all notes, drafts, instruments, acceptances or other evidence of any rents, issues, profits, revenues, royalties, bonuses, rights, benefits, payments, sums of money and accounts receivable arising from the Realty or from any of the foregoing categories of property; and (g) all cash and non-cash proceeds of all or any of the foregoing property, all replacements of, and additions and accessions to, said property, and all similar property now owned or hereafter acquired by Debtor. As used herein, the term Realty means the real property in Maine owned by Debtor, located in Northern Aroostook, Southern Aroostook, Piscataquis, Penobscot, Somerset, Franklin and Waldo Counties and described in Exhibit A to that certain Mortgage, Security Agreement and Financing Statement of March 24, 2005, granted by Debtor to Secured Party and filed or to be filed in the Northern Aroostook, Southern Aroostook, Piscataquis, Penobscot, Somerset, Franklin and Waldo County Registries of Deeds and the real property in Vermont owned by Debtor and located in the Towns of Newport, Troy and Richford and in the City of Newport and described in Exhibit A to that certain Mortgage, Security Agreement and Financing Statement of March 24, 2005, granted by Debtor to the Secured Party and filed or to be filed in the Vermont Towns of Newport, Troy and Richford and the City of Newport, Vermont, Registries of Deeds. The term "Realty" as defined above does not include the real property described in Exhibit A attached hereto (the "Excluded Real Estate").

EXHIBIT A TO UCC FINANCING STATEMENT AMENDMENT

Excluded Real Estate

The Excluded Real Estate consists of the following lines of railroad (hereinafter referred to as the "Railroad Lines"), all of which are generally depicted on Attachment A hereto:

1. The segment of the Madawaska Subdivision located between Milepost 109 in Grindstone, Penobscot County, Maine, and Milepost 260 in Frenchville, Aroostook County, Maine, generally depicted on Attachment 1 hereto, said segment of the Madawaska Subdivision being located in:

Penobscot County, Maine

Grindstone Township (Township 1, Range 7 WELS)
Herseytown Township (Township 2, Range 6 WELS)
Stacyville
Township 1, Range 6 WELS

Aroostook County, Maine

Ashland (Township 11, Range 5 WELS and Township 12, Range 5 WELS)
Crystal
Dudley (Township 7, Range 3 WELS)
Dyer Brook
Eagle Lake (Township 16, Range 7 WELS)
Fort Kent
Frenchville
Island Falls
Masardis
Nashville Plantation (Township 12, Range 6 WELS)
Oakfield
Portage Lake (Township 13, Range 6 WELS)
Sherman
Smyrna
St. Croix (Township 8, Range 4 WELS)
Township 9, Range 4 WELS
Township 9, Range 5 WELS
Township 14, Range 6 WELS
Township 14, Range 7 WELS
Wallagrass (Township 17, Range 7 WELS)
Webbertown (Township 7, Range 4 WELS)
Winterville Plantation (Township 15, Range 7 WELS)

2. The Presque Isle Subdivision located between Milepost P-0 in Masardis, Aroostook County, Maine, and the end point of the Presque Isle Subdivision in Presque Isle,

Aroostook County, Maine (said end point being located at approximately Milepost P-25.3, said end point also being Milepost F-0 of the Fort Fairfield Subdivision and Milepost L-0 of the Limestone Subdivision), generally depicted on Attachment 2 hereto, said Presque Isle Subdivision being located in:

Aroostook County, Maine

Ashland
Chapman
Mapleton
Masardis
Presque Isle
Squapan (Township 10, Range 4 WELS)
Township 11, Range 4 WELS

3. The Fort Fairfield Subdivision located between Milepost F-0 in Presque Isle, Aroostook County, Maine, and Milepost F-10 in Easton, Aroostook County, Maine, generally depicted on Attachment 3 hereto, said Fort Fairfield Subdivision being located in:

Aroostook County, Maine

Easton
Presque Isle

4. The Limestone Subdivision located between Milepost L-0 in Presque Isle, Aroostook County, Maine, and Milepost L-30.075 in Limestone, Aroostook County, Maine (together with any such additional segment of the Limestone Subdivision that may be located between Milepost L-30.075 and the property boundary line of Montreal, Maine & Atlantic Railway, Ltd.), generally depicted on Attachment 4 hereto, said Limestone Subdivision being located in:

Aroostook County, Maine

Caribou
Fort Fairfield
Limestone
Presque Isle

5. The Houlton Subdivision located between Milepost H-0.0 in Oakfield, Aroostook County, Maine, and Milepost H-17.27 in Houlton, Aroostook County, Maine, together with the entire length of "Spur B" in Houlton, Aroostook County, Maine, from the beginning of "Spur B" at Milepost H-17.27 to the end of "Spur B", all as generally depicted on Attachment 5 hereto, said Houlton Subdivision and "Spur B" being located in:

Aroostook County, Maine

Houlton
Ludlow
New Limerick
Oakfield
Smyrna

Each Railroad Line is of varying widths and is depicted on railroad valuation plans on file with Montreal, Maine & Atlantic Railway, Ltd. and with the Maine Department of Transportation.

The Excluded Real Estate further includes all buildings, bridges, structures, walls, culverts, railroad and spur tracks, rail, ties, spikes, ballast, other track materials, signal facilities and devices, crossings, crossing protection facilities and devices, and all other fixtures and improvements located on the Railroad Lines.

The Excluded Real Estate further includes any interest in land (and any fixtures and improvements thereon) presently owned by Montreal, Maine & Atlantic Railway, Ltd. that is contiguous with each Railroad Line; provided, however, that the Excluded Real Estate does not include:

- A. the segment of the Madawaska Subdivision located southerly of Milepost 109 in Grindstone, Penobscot County, Maine;
- B. the segment of the Madawaska Subdivision located northerly of Milepost 260 in Frenchville, Aroostook County, Maine;
- C. the parcel of land conveyed by Bangor Investment Company to Bangor and Aroostook Railroad Company by deed dated May 27, 1993, and recorded in the Southern Aroostook Registry of Deeds in Book 2573, Page 263 (a portion of said parcel of land being situated in the Town of Mapleton, Aroostook County, Maine, and a portion of said parcel of land being situated in the City of Presque Isle, Aroostook County, Maine);
- D. that portion of the first-described parcel of land conveyed by N. W. Downing & Son Company and Aroostook Baking Company to Bangor and Aroostook Railroad Company by deed dated January 12, 1970, and recorded in the Southern Aroostook Registry of Deeds in Book 1057, Page 792 (said parcel of land being situated in the City of Presque Isle, Aroostook County, Maine) that lies outside the boundaries of the 117-foot wide parcel of land that is the subject of the order of the County Commissioners of Aroostook County dated November 6, 1931, upon the petition of Charles F. A. Phair; and

E. the following-described parcel of land in Houlton, Aroostook County, Maine:

Beginning at the point of intersection of the easterly shore of the Meduxnekeag River with the northerly right-of-way line of the Houlton Subdivision, said northerly right-of-way line being 49.5 feet from and parallel to the centerline of the Houlton Subdivision, said point of beginning being depicted as a point 49.5 feet northerly of, as measured perpendicular to, the centerline of the Houlton Subdivision at Station 4939+22 on a certain Bangor and Aroostook Railroad Company Station Map dated January 24, 1950, bearing the reference "V2K/S5b" (hereinafter referred to as the "Station Map"), said Station Map being on file with Montreal, Maine & Atlantic Railway, Ltd.;

Thence proceeding in a generally northeasterly direction along said northerly right-of-way line of the Houlton Subdivision, said northerly right-of-way line being 49.5 feet from and parallel to the centerline of the Houlton Subdivision, to the point of intersection of said northerly right-of-way line with a line located 15 feet westerly of and parallel to the centerline of Track 18, as said Track 18 is shown on the Station Map;

Thence continuing in a generally northerly direction along said line located 15 feet westerly of and parallel to the centerline of said Track 18 to the point of intersection of said line with a line located 15 feet westerly of and parallel to the centerline of Track L, as said Track L is shown on the Station Map;

Thence continuing in a generally northeasterly direction along said line located 15 feet westerly of and parallel to the centerline of said Track L to the point of intersection of said line with a line located 15 feet westerly of and parallel to the centerline of the main line of the Houlton Subdivision, as said main line of the Houlton Subdivision is shown on the Station Map;

Thence continuing in a generally northerly direction along said line located 15 feet westerly of and parallel to the centerline of the main line of the Houlton Subdivision to the point of intersection of said line with a line running perpendicular to the centerline of the main line of the Houlton Subdivision at Station 4964+75, as said line running perpendicular to the centerline of the main line of the Houlton Subdivision at Station 4964+75 is shown on the Station Map;

Thence continuing in a generally westerly direction along said line running perpendicular to the centerline of the main line of the Houlton Subdivision at Station 4964+75 to a point that is 66 feet from the centerline of the main line of the Houlton Subdivision, said point being on the westerly right-of-

way line of the Houlton Subdivision, as said westerly right-of-way line of the Houlton Subdivision is shown on the Station Map;

Thence continuing in a generally northerly direction along said westerly right-of-way line of the Houlton Subdivision, said westerly right-of-way line being 66 feet from and parallel to the centerline of the Houlton Subdivision, to the point of intersection of said westerly right-of-way line with the southerly shore of the Meduxnekeag River, as said point of intersection is shown on the Station Map;

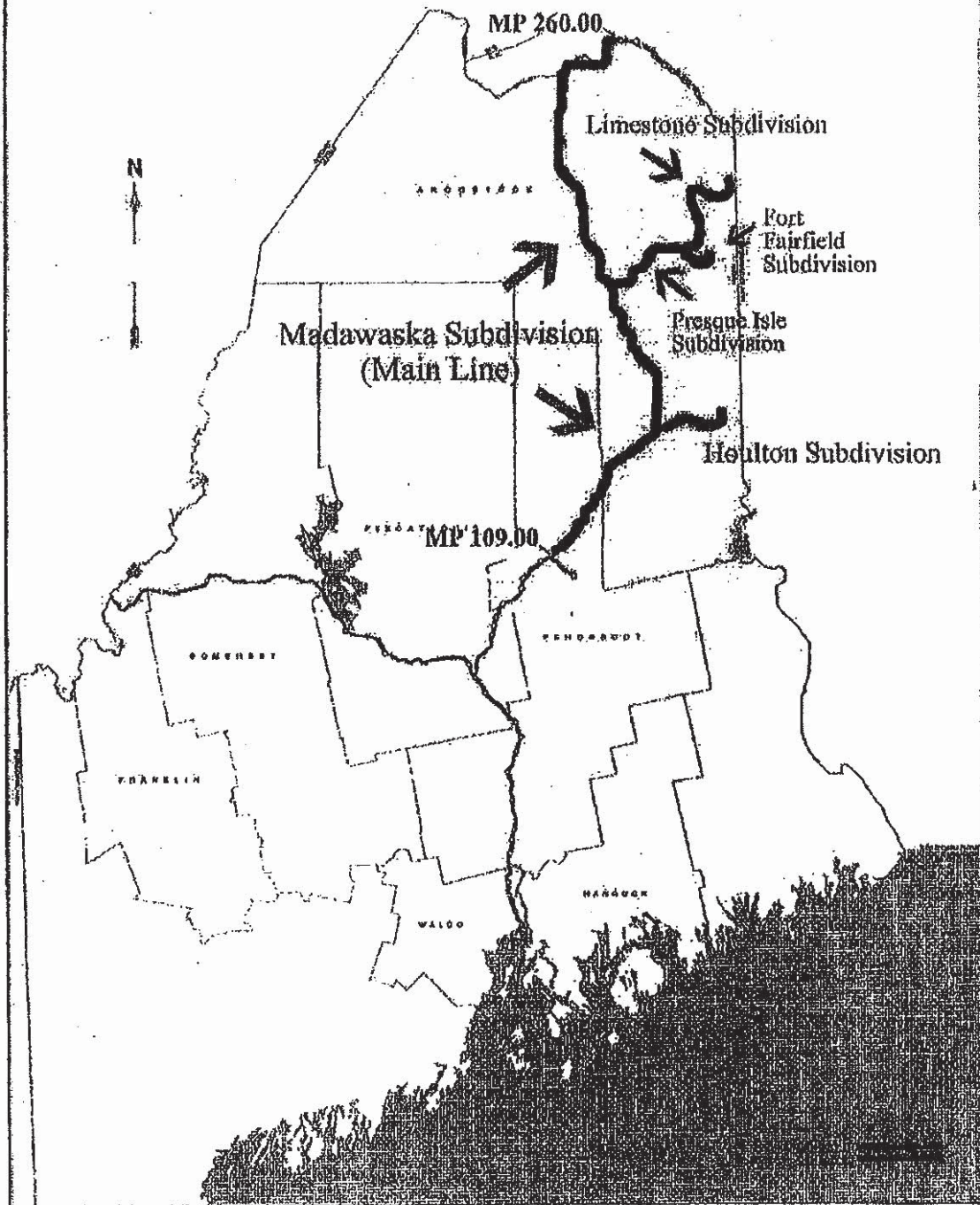
Thence continuing in a generally northerly direction along said westerly right-of-way line of the Houlton Subdivision, said westerly right-of-way line being 66 feet from and parallel to the centerline of the Houlton Subdivision, to the point of intersection of said westerly right-of-way line with the thread of the Meduxnekeag River;

Thence continuing along said thread of the Meduxnekeag River in a generally westerly and then generally southerly direction to the point of intersection of said thread of the Meduxnekeag River with the northerly right-of-way line of the Houlton Subdivision, said northerly right-of-way line being 49.5 feet from and parallel to the centerline of the Houlton Subdivision;

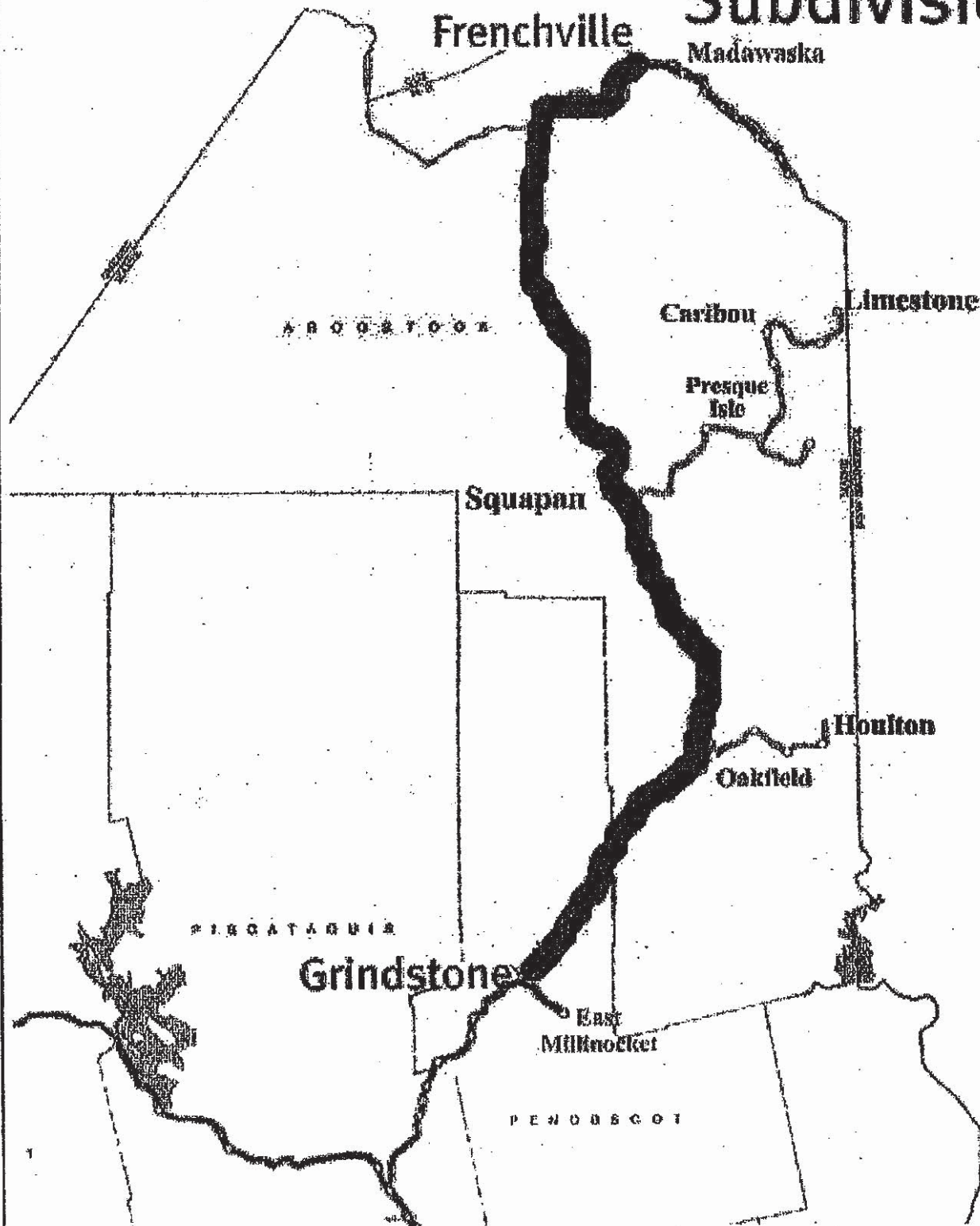
Thence continuing in a generally easterly direction along said northerly right-of-way line of the Houlton Subdivision, said northerly right-of-way line being 49.5 feet from and parallel to the centerline of the Houlton Subdivision, to the point of intersection of said northerly right-of-way line with the easterly shore of the Meduxnekeag River, said point of intersection being depicted on the Station Map as a point 49.5 feet northerly of, as measured perpendicular to, the centerline of the Houlton Subdivision at Station 4939+22, said point of intersection being the point of beginning.

Land shall be considered contiguous with a Railroad Line if it abuts that Railroad Line or is part of a larger common ownership, any part of which abuts that Railroad Line.

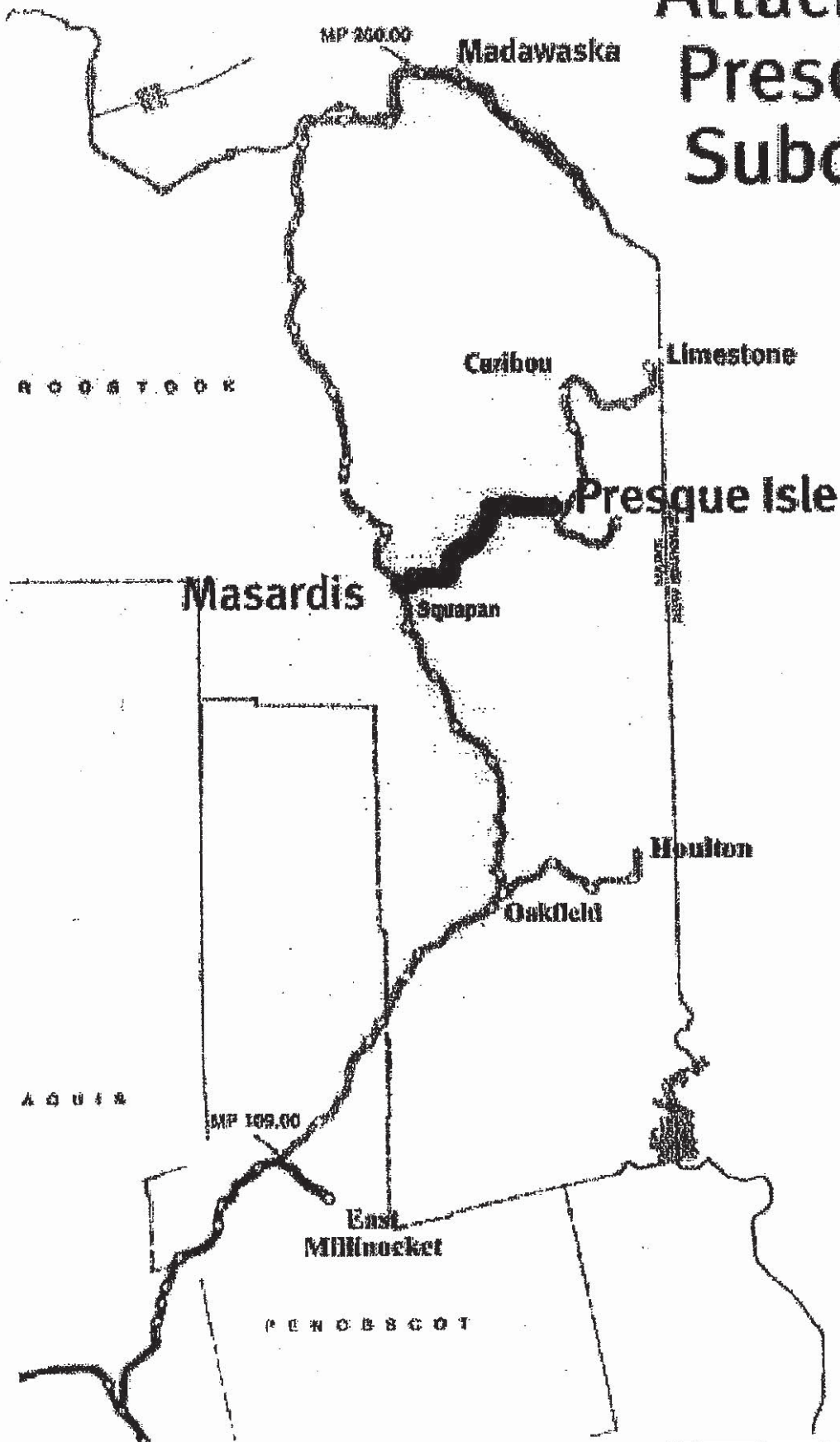
Attachment A Main Line and Subdivisions



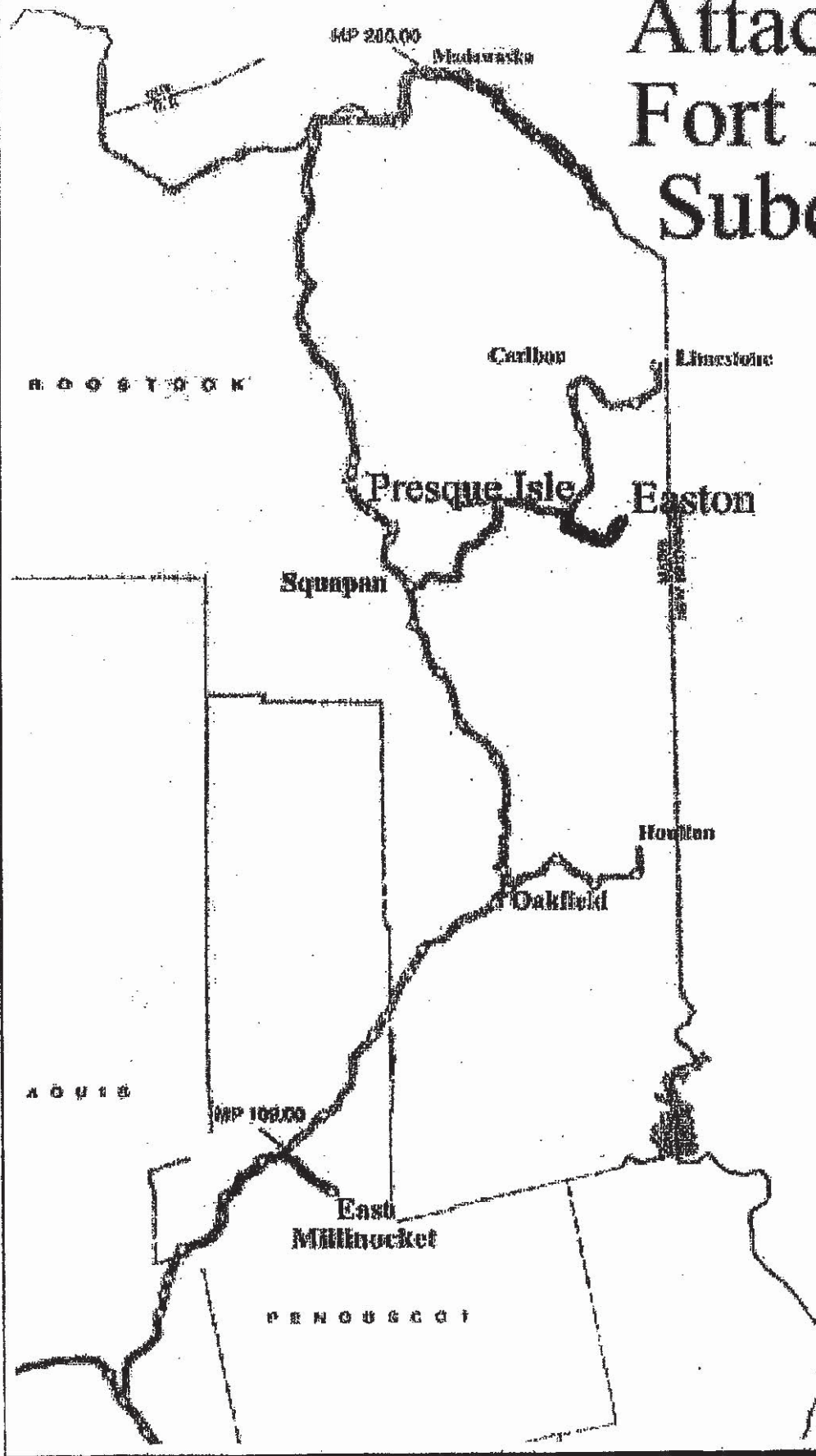
Attachment 1 Madawaska Subdivision



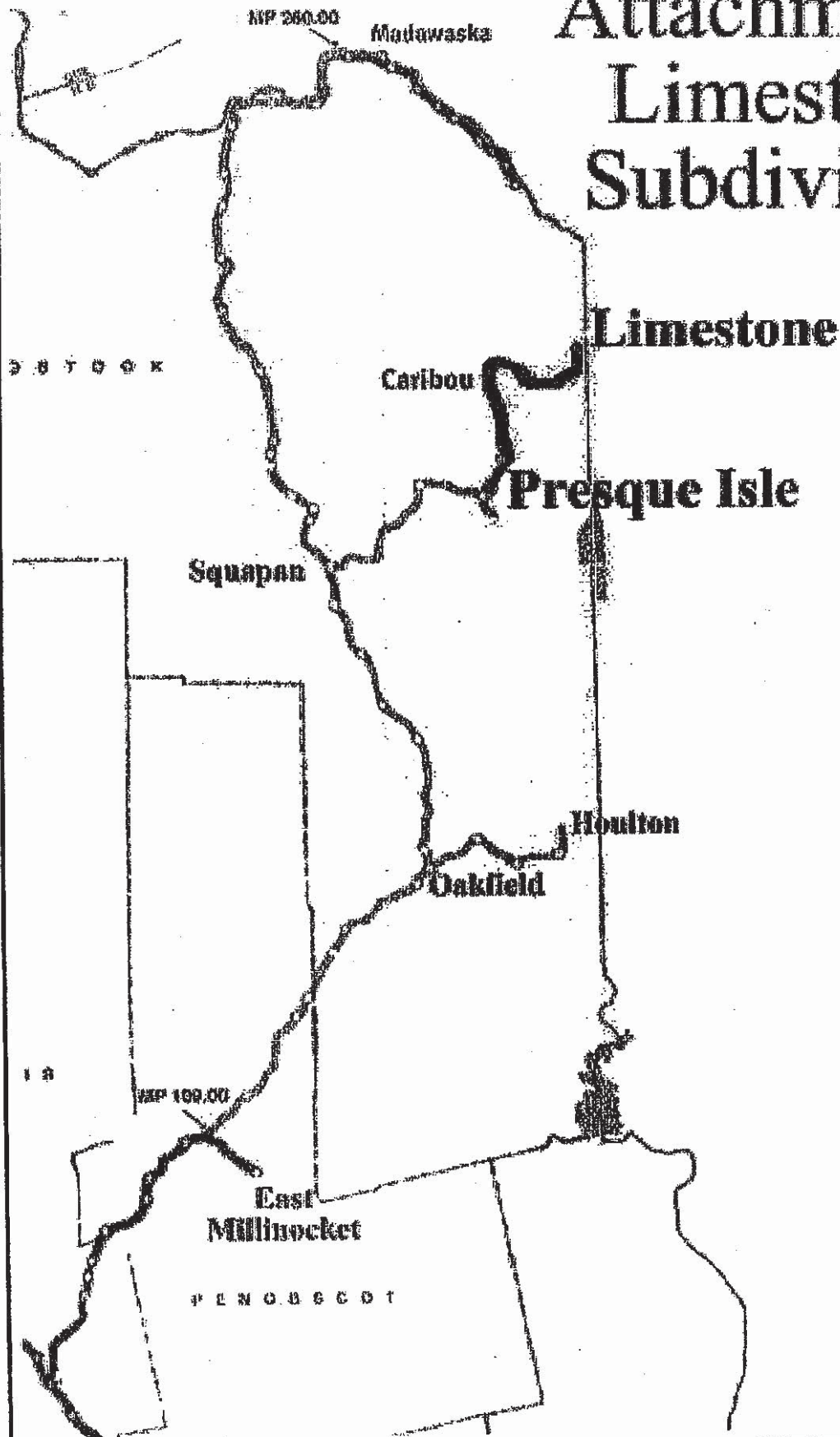
Attachment 2 Presque Isle Subdivision



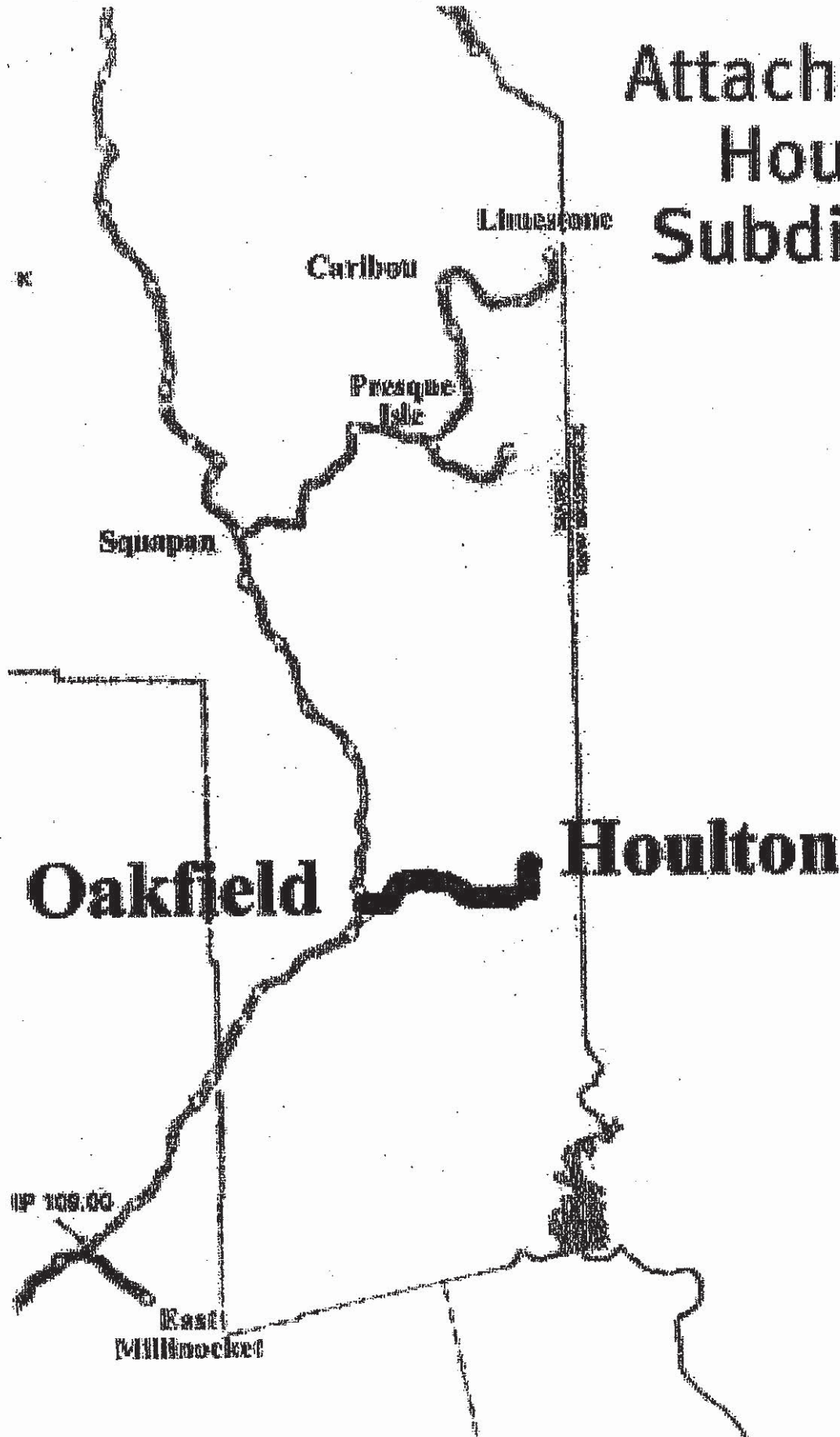
Attachment 3 Fort Fairfield Subdivision



Attachment 4 Limestone Subdivision



Attachment 5 Houlton Subdivision



UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Corporation Service Company
2711 Centerville Road, Suite 400
Wilmington, DE 19808



DELAWARE DEPARTMENT OF STATE
U.C.C. FILING SECTION
FILED 04:27 PM 02/28/2012
INITIAL FILING # 2012 0770703

SRV: 120244841

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME						
Montreal, Maine & Atlantic Railway, LTD.						
OR	1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
1c. MAILING ADDRESS			CITY	STATE	POSTAL CODE	COUNTRY
15 Iron Road			Hermon	ME	04401	USA
1d. <u>SEE INSTRUCTIONS</u>	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION	1f. JURISDICTION OF ORGANIZATION	1g. ORGANIZATIONAL ID #, if any		
		CORP	DE	3583244 <input type="checkbox"/> NONE		

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME						
OR	2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
2c. MAILING ADDRESS			CITY	STATE	POSTAL CODE	COUNTRY
2d. <u>SEE INSTRUCTIONS</u>			ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any
						<input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME						
OR	3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
3c. MAILING ADDRESS			CITY	STATE	POSTAL CODE	COUNTRY
16 State House Station			Augusta	ME	04333-0016	USA

4. This FINANCING STATEMENT covers the following collateral:

(A) All rail, related cross ties, tie joints, tie plates, switch ties, switches, spikes, joints, anchors and other related track materials incorporated or installed in, attached to or located at or on, the real property described in the Addendum hereto (Form UCC1ad) (the "Property") that have been purchased by the Debtor or for which the purchase price will be or has been reimbursed to the Debtor, in either case using funds advanced or provided to the Debtor by the State ("Rail Assets") pursuant to the terms of certain defined Rail Funding Agreements; and,

(B) Whatever is received upon the sale, exchange, collection or other disposition of the Rail Assets, including but not limited to insurance payable by reason of loss or damage to the Rail Assets.

5. ALTERNATIVE DESIGNATION (if applicable):	LESSEE/LESSOR	CONSIGNEE/CONSIGNOR	BAILEE/BAILOR	SELLER/BUYER	AG. LIEN	NON-UCC FILING
6. This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum. [if applicable]	7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (ADDITIONAL FEE)		All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2 <input type="checkbox"/>			
8. OPTIONAL FILER REFERENCE DATA						

DE-Secretary Of State

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

9a. ORGANIZATION'S NAME		
Montreal, Maine & Atlantic Railway, LTD.		
OR	9b. INDIVIDUAL'S LAST NAME	FIRST NAME MIDDLE NAME, SUFFIX

10. MISCELLANEOUS: DE-Secretary Of State

See Exhibit A attached hereto for description of the Property.

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one name (11a or 11b) - do not abbreviate or combine names

11a. ORGANIZATION'S NAME				
OR	11b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
11c. MAILING ADDRESS		CITY	STATE	POSTAL CODE COUNTRY
11d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	11e. TYPE OF ORGANIZATION	11f. JURISDICTION OF ORGANIZATION	11g. ORGANIZATIONAL ID #, if any
				<input type="checkbox"/> NONE

12. ☐ ADDITIONAL SECURED PARTY'S or ☐ ASSIGNOR S/P'S NAME - insert only one name (12a or 12b)

12a. ORGANIZATION'S NAME				
OR	12b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
12c. MAILING ADDRESS		CITY	STATE	POSTAL CODE COUNTRY

13. This FINANCING STATEMENT covers ☐ timber to be cut or ☐ as-extracted collateral, or is filed as a ☐ fixture filing.

14. Description of real estate:

15. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

16. Additional collateral description:

17. Check only if applicable and check only one box.

Debtor is a ☐ Trust or ☐ Trustee acting with respect to property held in trust or ☐ Decedent's Estate

18. Check only if applicable and check only one box.

☐ Debtor is a TRANSMITTING UTILITY

☐ Filed in connection with a Manufactured-Home Transaction — effective 30 years

☒ Filed in connection with a Public-Finance Transaction — effective 30 years

DEBTOR:
Montreal, Maine & Atlantic Railway, LTD.
15 Iron Road
Hermon, ME 04401

SECURED PARTY:
State of Maine, Department of
Transportation
16 State House Station
Augusta, ME 04333-0016

EXHIBIT “A”

PROPERTY

The Property is described as follows:

Debtor’s rail corridors situated in the State of Maine, more particularly described as follows:

Main Line Segments

The segment of the main line of the former Bangor and Aroostook Railroad, located in Waldo, Penobscot and Piscataquis Counties, from Searsport, Maine (MP 0.00) to Grindstone, Maine (MP 109).

The segment of the main line of the former Bangor and Aroostook Railroad, located in Aroostook County, from Frenchville, Maine (MP 260) to Madawaska, Maine (MP 264.13).

The segment of the main line of the former Canadian Pacific Railway, located in Piscataquis, Somerset and Franklin Counties, from Brownville Junction, Maine (MP 0.0) to the international border between Maine, USA and Quebec, Canada (MP 101.75).

Branch Lines

The branch line of the former Bangor and Aroostook Railroad known as the Van Buren Subdivision, located in Aroostook County, from Madawaska, Maine (MP V 0.0) to Van Buren, Maine (MP V 23.69), and the line segment from MP V 22.7 in Van Buren, Maine to the international border on the bridge between Van Buren, Maine, USA and St. Leonard, New Brunswick, Canada.

The branch line of the former Bangor and Aroostook Railroad known as the KI Subdivision, located in Piscataquis County, from Brownville, Maine (MP K 0.00) to Brownville Junction, Maine (MP K 3.74).

The branch line of the former Bangor and Aroostook Railroad known as the East Millinocket Subdivision, located in Penobscot County, from Millinocket, Maine (MP E 0.0) to East Millinocket, Maine (MP E 7.67).

Nova Scotia

PPRS Search Result Report

10195241

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched: Nova Scotia
Type of Search: Debtors (Enterprise)
Search Criteria: MONTREAL, MAINE & ATLANTIC CANADA
 CO./MONTREAL, MAINE & ATLANTIQUE CANADA CIE
Date and Time of Search: 2013-07-22 12:07 (Atlantic)
Transaction Number: 10195241
Searched By: V187448

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*	*	17569831	MONTREAL, MAINE & ATLANTIC CANADA CO./MONTREAL, MAINE & ATLANTIQUE CANADA CIE	FARNHAM
		17569831	MONTREAL, MAINE & ATLANTIQUE CANADA CIE/MONTREAL, MAINE & ATLANTIC CANADA CO.	FARNHAM

An "*" in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

An "*" in the 'Included' column indicates that the registration's details are included within the Search Result Report.

1 registration(s) contained information that **exactly** matched the search criteria you specified.

1 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

Registration Details for Registration Number: 17569831

Province or Territory: Nova Scotia
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic)	Expiry Date	File Number
Original	17569831	2011-01-04 10:36	2033-01-04	SM001764.73

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
MONTREAL, MAINE & ATLANTIC CANADA CO./MONTREAL, MAINE & ATLANTIQUE
CANADA CIE
191, RUE VICTORIA
FARNHAM PQ J2N 1S3
Canada

Type: Enterprise
MONTREAL, MAINE & ATLANTIC CANADA CO.
191, RUE VICTORIA
FARNHAM PQ J2N 1S3
Canada

Type: Enterprise
MONTREAL, MAINE & ATLANTIQUE CANADA CIE
191, RUE VICTORIA
FARNHAM PQ J2N 1S3
Canada

Type: Enterprise
MONTREAL, MAINE & ATLANTIQUE CANADA CIE/MONTREAL, MAINE & ATLANTIC
CANADA CO.
191, RUE VICTORIA
FARNHAM PQ J2N 1S3
Canada

Secured Parties

Type: Enterprise
THE UNITED STATES OF AMERICA, represented by the Secretary of Transportation
acting through the ADMINISTRATOR of the Federal Railroad Administration
1200 NEW JERSEY AVENUE S.E.
WASHINGTON DC 20590
USA

General Collateral

A SECURITY INTEREST IS TAKEN IN ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED
PERSONAL PROPERTY

END OF REPORT

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched: Nova Scotia
Type of Search: Debtors (Enterprise)
Search Criteria: MONTREAL, MAINE & ATLANTIC CANADA CO.
Date and Time of Search: 2013-07-22 12:08 (Atlantic)
Transaction Number: 10195242
Searched By: V187448

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*		17569831	MONTREAL, MAINE & ATLANTIC CANADA CO.	FARNHAM
		17569831	MONTREAL, MAINE & ATLANTIC CANADA CO./MONTREAL, MAINE & ATLANTIQUE CANADA CIE	FARNHAM
		17569831	MONTREAL, MAINE & ATLANTIQUE CANADA CIE/MONTREAL, MAINE & ATLANTIC CANADA CO.	FARNHAM

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

An '*' in the 'Included' column indicates that the registration's details are included within the Search Result Report.

1 registration(s) contained information that **exactly** matched the search criteria you specified.

2 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

END OF REPORT

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched: Nova Scotia
Type of Search: Debtors (Enterprise)
Search Criteria: MONTREAL, MAINE & ATLANTIQUE CANADA CIE
Date and Time of Search: 2013-07-22 12:08 (Atlantic)
Transaction Number: 10195245
Searched By: V187448

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*		17569831	MONTREAL, MAINE & ATLANTIQUE CANADA CIE	FARNHAM
		17569831	MONTREAL, MAINE & ATLANTIC CANADA CO./MONTREAL, MAINE & ATLANTIQUE CANADA CIE	FARNHAM
		17569831	MONTREAL, MAINE & ATLANTIQUE CANADA CIE/MONTREAL, MAINE & ATLANTIC CANADA CO.	FARNHAM

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

An '*' in the 'Included' column indicates that the registration's details are included within the Search Result Report.

1 registration(s) contained information that **exactly** matched the search criteria you specified.

2 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

END OF REPORT

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched: Nova Scotia
Type of Search: Debtors (Enterprise)
Search Criteria: MONTREAL, MAINE & ATLANTIQUE CANADA
CIE/MONTREAL, MAINE & ATLANTIC CANADA CO.
Date and Time of Search: 2013-07-22 12:08 (Atlantic)
Transaction Number: 10195247
Searched By: V187448

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*		17569831	MONTREAL, MAINE & ATLANTIQUE CANADA CIE/MONTREAL, MAINE & ATLANTIC CANADA CO.	FARNHAM
		17569831	MONTREAL, MAINE & ATLANTIC CANADA CO./MONTREAL, MAINE & ATLANTIQUE CANADA CIE	FARNHAM

An "*" in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

An "" in the 'Included' column indicates that the registration's details are included within the Search Result Report.

1 registration(s) contained information that **exactly** matched the search criteria you specified.

1 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

END OF REPORT

Date, heure, minute de certification : 2013-07-16 12:16

Critère de recherche Nom d'organisme : MONTRÉAL, MAINE & ATLANTIQUE CANADA CIE

Résultat exact (1)

Fiche	Inscription	Date	h:min
001	DROITS DE PROPRIÉTÉ DU CRÉDIT-BAILLEUR 10-0221076-0002	2010-04-13	14:02

Registre
des droits personnels
et réels mobiliers

Québec

Date, heure, minute de certification : 2013-07-16 12:16

Critère de recherche Nom d'organisme : MONTREAL, MAINE & ATLANTIC CANADA INC.

Critère de sélection Nom d'organisme : MONTREAL MAINE & ATL... Code Postal : J2N1S3

Fiche 001 - Détail de l'inscription 1 (de 1)

INSCRIPTION	DATE-HEURE-MINUTE	DATE EXTRÊME D'EFFET
10-0001070-0000	2010-04-13 14:02	2017-04-13

BIENS DE PROPRIÉTÉ DU CRÉDIT-BAILLEUR

PARTIES

Crédit-bailleur

sygnat inc.
suite 400, 666 burrard st., vancouver, bc V6C 2X9

Crédit-preneur

montreal,maine & atlantique canada cie
161 rue victoria, farnham, qc J2N 1S3

BIENS

(1) photocopieur kyocera km-4050 n/s 0201674 (1) alimenteur dp700 n/s 0216220 (1) tonseur df-710 unité de perforation (1) fax together with all attachments accessories accessions replacements substitutions additions and improvements therera and all proceeds in any form derived directly or indirectly from any sale and or dealings with the collateral and a right to an insurance payment or other payment that indemnifies or compensates for loss or damage to the collateral or proceeds of the collateral

MENTIONS

Référence à l'acte constitutif

Forme de l'acte : Sous seing privé
Date : 2010-04-13
Lieu : province de quebec

Date, heure, minute de certification : 2013-07-16 15:00

Critère de recherche Nom d'organisme : MONTRÉAL, MAINE & ATLANTIC CANADA CO.

Résultats exacts (2)

Nom	Code postal	Nombre de fiches détaillées
<input type="checkbox"/> MONTREAL MAINE & ATLANTIC CANADA CO		1
Fiche Inscription	Date	h:min
001 DROITS RÉSULTANT D'UN BAIL 09-0078357-0001	2009-02-17	09:00
<input type="checkbox"/> MONTREAL MAINE & ATLANTIC CANADA CO	H3B 3P4	1
Fiche Inscription	Date	h:min
001 HYPOTHÈQUE CONVENTIONNELLE SANS DÉPOSSESSION 10-0898865-0001	2010-12-22	11:55

Date, heure, minute de certification : 2013-07-16 11:28

Critère de recherche Nom d'organisme : MONTREAL, MAINE & ATLANTIC CANADA INC.

Critère de sélection Nom d'organisme : MONTREAL MAINE & ATL... Code Postal :

Fiche 001 - Détail de l'inscription 1 (de 1)

INSCRIPTION	DATE-HEURE-MINUTE	DATE EXTRÊME D'EFFET
09-0078357-0001	2009-02-17 09:00	2019-02-17
DROITS RÉSULTANT D'UN BAIL		

Il s'agit d'une inscription globale (art.2961.1 Code civil).

PARTIES

Locateur

MONTREAL MAINE AND ATLANTIC CANADA CO.
15 IRON ROAD, HERMON, MAINE U.S.A. 04401

Locataire

ORFORD EXPRESS INC
1080 CÔTE DE BEAVER HALL SUITE 1610 MONTREAL QUÉBEC H2Z 1S8

BIENS

bail sur rail de chemin de fer entre Sherbrooke et Eastman au Québec

MENTIONS

Référence à l'acte constitutif

Forme de l'acte : Sous seing privé
Date : 2008-10-25
Lieu : MONTREAL

Date, heure, minute de certification : 2013-07-16 12:16

Critère de recherche Nom d'organisme : MONTREAL, MAINE & ATLANTIC CANADA INC.

Critère de sélection Nom d'organisme : MONTREAL MAINE & ATL... Code Postal : H3B3P4

Fiche 001 - Détail de l'inscription 1 (de 1)

INSCRIPTION	DATE-HEURE-MINUTE	DATE EXTRÊME D'EFFET
10-0898865-0001	2010-12-22 11:55	2020-12-22
HYPOTHÈQUE CONVENTIONNELLE SANS DÉPOSSESSION		

PARTIES

Titulaire

UNITED STATES OF AMERICA
1200 New Jersey Avenue S.E., Washington, DC, 20590, USA
Représenté par : SECRETARY OF TRANSPORTATION,

Constituant

MONTREAL, MAINE & ATLANTIC CANADA CO.
1 Place Ville-Marie, 37th Floor, Montreal, Québec

H3B 3P4

BIENS

The universality of the movable and immovable property, corporeal and incorporeal, present and future, of the Constituant (the "Collateral"), including without limitation:

1.1 all right, title and interest in that certain immovable property described in the First Schedule to the deed referred to herein under the heading entitled "Référence à l'acte constitutif" (the "Deed") and in the leased property described in the Second Schedule of the Deed, as the said property now subsists, together with all of its rights, members and appurtenances, without exception or reserve of any kind (the "Lands").

1.2 all buildings, structures, fixtures, additions, modifications, repairs, replacements and other improvements of every kind or nature now or hereafter located on the Lands from time to time other than any movable property owned by tenants and trade fixtures and other leasehold improvements which any tenant is permitted to remove pursuant to the provisions of its Lease (as hereinafter defined) or under applicable laws (the "Improvements", together with the Lands sometimes herein referred to as the "Property");

1.3 all machinery, equipment, fittings, apparatus, appliances, furniture, furnishings, tools, fixtures (including all heating, air conditioning, ventilating, waste disposal, sprinkler and fire and theft protection equipment, plumbing, lighting, communications and elevator fixtures) and other similar property of every kind and nature whatsoever which are (i) now or hereafter located upon or used in connection with the Lands or the Improvements, and (ii) in which the Constituant has or shall have an ownership interest other than any

movable property owned by tenants and trade fixtures and other leasehold improvements which any tenant is permitted to remove pursuant to the provisions of its Lease or under applicable laws (the "Equipment");

1.4 all present and future leases, offers to lease, subleases, concessions, licenses and other contracts and agreements which now or hereafter affect the use, enjoyment or occupancy of the Property or the Enterprise (as defined in the Deed) or any portion thereof now or hereafter entered into together with all rights, options, claims, causes of action, guarantees, indemnities, security deposits and other security held by or on behalf of the Constituant in connection therewith (the "Leases");

1.5 all revenues, receipts, income, credits, deposits, profits, royalties, rents, additional rents, recoveries, accounts receivable and other receivables of any kind and nature whatsoever relating to the Property and arising from or relating to the Enterprise (the "Rents");

1.6 any agreements, contracts or other instruments of a material nature relating to the Enterprise, Lands, Improvements or Equipment or the management or operation thereof, and all amendments, supplements, and replacements thereto, including but not limited to all development, servicing, site plan and other similar agreements with any governmental authority or public utility, management agreements, reciprocal restrictions or operating agreements, license or franchise agreements, service contracts, warranties, guaranties, supply and maintenance contracts, equipment leases and insurance policies (the "Material Agreements");

1.7 all permits, consents, licenses, rights, certificates, authorizations and other approvals issued or granted by any governmental authority or any public utility relating to the Enterprise, Lands, Improvements, Equipment, Leases and/or Material Agreements (the "Permits");

1.8 all awards or payments, including any interest thereon, which may hereafter be made with respect to the Enterprise, Lands, Improvements, Equipment, Leases, Rents and/or Material Agreements by means of expropriation and any and all refunds with respect to the payment of property taxes and assessments, and all other proceeds of the conversion, voluntary or involuntary, of the Lands, Improvements, Equipment, Leases, Rents and/or Material Agreements, into cash, credit or liquidated claims;

1.9 all proceeds of and any unearned premiums accrued, accruing or to accrue under any insurance policies including, without limitation, property insurance or any other insurance now or hereafter maintained covering the Enterprise, Lands, Improvements, Equipment, Leases, Rents and/or Material Agreements, including without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Lands, Improvements, Equipment, Leases, Rents and/or Material Agreements, and interest paid or payable with respect thereto;

1.10 all claims against any Person (as defined hereinafter) with respect to any damage to or loss of the Lands, Improvements, Equipment, Leases, Rents and/or Material Agreements, including, without limitation, damage arising from any defect in or with respect to the design or construction of the Improvements, Equipment or other property of the Constituant and any damage resulting therefrom;

1.11 all deposits or other security or advance payments, including rental payments made by or on behalf of the Constituant, directly or indirectly, to others, with respect to the Lands, Improvements, Equipment, Leases, Rents and/or Material Agreements, including but not limited to (i) insurance policies, (ii) utility services, (iii) cleaning, maintenance, repair or similar services, (iv) refuse removal or sewer service, (v) parking or similar services or rights and (vi) rental of Equipment, if any;

1.12 all intangible property relating to the Enterprise, Lands, Improvements, Equipment, Leases, Rents, Material Agreements, or the operation thereof, including, without limitation, trade names, trademarks, logos, building names and goodwill;

1.13 all advertising material, guarantees, warranties, soil tests, appraisals and other documents, materials and/or personal property of any kind now or hereafter existing in or relating to the Enterprise, Lands, Improvements, Equipment, Rents, Leases and/or Material Agreements;

1.14 all drawings, designs, plans and specifications prepared by the architects, engineers, interior designers, landscape designers and any other consultants or professionals for the design, development, construction, repair and/or improvement of the Enterprise, Lands, Improvements or Equipment;

1.15 all appurtenances and utility rights pertaining to the Enterprise, Lands, Improvements, Equipment, Leases, Material Agreements or any portion thereof, all service contracts, supply and maintenance contracts, equipment leases, and any renewal, modification, amendment, supplement or replacement thereof, which affects or is used in connection with the Enterprise, Lands, Improvements, Equipment, Leases or any part thereof;

1.16 all renewals, substitutions, improvements, accessions, attachments, additions, replacements and all proceeds to or of each of the foregoing, and all conversions of the security constituted thereby so that, immediately upon such acquisition, construction, assemblage, placement or conversion, as the case may be, and in each such case, the foregoing shall be deemed a part of the Collateral and shall automatically become subject to the hypothec granted hereunder as fully and completely and with the same priority and effect as though now owned by the Constituant, directly or indirectly, and specifically described herein, without any further hypothecation or assignment or conveyance by the Constituant, directly or indirectly;

1.17 the proceeds of any sale, lease or other disposition of the property described in Section 3.1 of the Deed, any debt resulting from

such sale, lease or other disposition, as well as any property acquired to replace the Collateral;

1.18 any insurance or expropriation indemnity payable in respect of the Collateral;

1.19 any rights attached to the Collateral, as well as the fruits and revenues produced thereby;

1.20 where the Collateral includes shares or securities, all shares and securities issued in replacement of these shares or securities; and

1.21 all deeds, documents, registers, invoices and books of account evidencing the Collateral or relating thereto.

For the purposes hereof,

"Person": means any individual, corporation, partnership, joint venture, association, joint stock company, trust, trustee, estate, limited liability company, unincorporated organization, real estate investment trust, government or any agency or political subdivision thereof, or any other form of entity.

MENTIONS

Somme de l'hypothèque

CAD\$81,600,000.00 with interest at the rate of 25% per annum from the date of the Deed. This amount includes an additional hypothec equivalent to 20% of the principal amount of CAD\$68,000,000.00

Référence à l'acte constitutif

Forme de l'acte : Notarié en minute

Date : 2010-12-21

Lieu : Washington, DC, United States of America

N° de minute : 179

Nom du notaire : LAVIGNE FRÉDÉRIC

Autres mentions :

Continuation of the heading entitled "Représenté par" of the Titulaire Section: "..., acting through the ADMINISTRATOR of the FEDERAL RAILROAD ADMINISTRATION".

For greater certainty, the UNITED STATES OF AMERICA are represented by the SECRETARY OF TRANSPORTATION, acting through the ADMINISTRATOR of the FEDERAL RAILROAD ADMINISTRATION.

The Constituant may collect all debts and claims, including Rents, forming part of the Collateral until the Titulaire withdraws its authorization for the Constituant to do so following the occurrence and during the continuance of an Event of Default (as defined in the Deed).

AVIS D'ADRESSE

N° 043520

Variance - Actual v Budget			(One Week Period Ending 10/4/13)			
	Budget 10/4/2013	Actual 10/4/2013	Weekly Variance	Budget To Date	Actual To Date	Cumulative Variance
Receipts:						
Transportation Revenue						
Freight Revenue and Zone Switching	\$ 13,350	\$ 281,752	\$ 268,402	\$ 13,350	\$ 281,752	\$ 268,402
ISS Receivable	\$ 160,000	\$ 149,632	\$ (10,368)	\$ 160,000	\$ 149,632	\$ (10,368)
Ins. Settlement - Travellers			\$ -	\$ -	\$ -	\$ -
Customer Settlements	\$ 50,000	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ -
Sub Total - Transportation Revenue	\$ 223,350	\$ 481,383	\$ 258,033	\$ 223,350	\$ 481,383	\$ 258,033
Other Operating Revenue						
Switching & Miscellaneous	\$ 79,185	\$ 79,867		\$ 79,185	\$ 79,867	\$ 682
Railcar Storage			\$ -	\$ -	\$ -	\$ -
Contract Shop & Car Repairs			\$ -	\$ -	\$ -	\$ -
Equipment Rental	\$ 37,000	\$ 37,000	\$ -	\$ 37,000	\$ 37,000	\$ -
Car Hire Revenue			\$ -	\$ -	\$ -	\$ -
Sub Total - Other Operating Revenue	\$ 116,185	\$ 116,867	\$ 682	\$ 116,185	\$ 116,867	\$ 682
Non-Operating Revenue						
Scrap Sales			\$ -	\$ -	\$ -	\$ -
Private & Gov't Re-imbursements			\$ -	\$ -	\$ -	\$ -
Traveler Business Interruption	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub Total - Non-Operating Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash Receipts	\$ 339,535	\$ 598,251	\$ 258,716	\$ 339,535	\$ 598,251	\$ 258,716
Disbursements:						
Transportation Revenue Offsets						
NBSR, MNR, SLQ, CN	\$ 85,624	\$ 83,615	\$ 2,009	\$ 85,624	\$ 83,615	\$ 2,009
Sub Total - Transportation Revenue Offsets	\$ 85,624	\$ 83,615	\$ 2,009	\$ 85,624	\$ 83,615	\$ 2,009
Payroll & Related						
Salaries, Wages & Commissions US	\$ 63,413	\$ 63,743	\$ (330)	\$ 63,413	\$ 63,743	\$ (330)
Employee Benefits & Claims - US	\$ 31,500	\$ 48,190	\$ (16,690)	\$ 31,500	\$ 48,190	\$ (16,690)
Salaries, Wages & Commissions CDN	\$ 82,000	\$ 80,095	\$ 1,905	\$ 82,000	\$ 80,095	\$ 1,905
Group Health, pension and union dues- CDN	\$ 31,400	\$ 21,072	\$ 10,328	\$ 31,400	\$ 21,072	\$ 10,328
Aetna Past Dues			\$ -	\$ -	\$ -	\$ -
Vacation pay arrears - CDN			\$ -	\$ -	\$ -	\$ -
Sub Total - Payroll & Related	\$ 208,313	\$ 213,100	\$ (4,787)	\$ 208,313	\$ 213,100	\$ (4,787)
Materials & Supplies						
Diesel Fuel			\$ -	\$ -	\$ -	\$ -
Material Costs US	\$ 13,000	\$ 1,622	\$ 11,378	\$ 13,000	\$ 1,622	\$ 11,378
Material Costs CDN	\$ 50,000	\$ 18,692	\$ 31,308	\$ 50,000	\$ 18,692	\$ 31,308
Sub Total - Material & Supplies	\$ 63,000	\$ 20,314	\$ 42,686	\$ 63,000	\$ 20,314	\$ 42,686
Freight Car & Locomotive Expense						
Leases - Car	\$ 20,000		\$ 20,000	\$ 20,000	\$ -	\$ 20,000
Leases - Locomotive	\$ 15,000		\$ 15,000	\$ 15,000	\$ -	\$ 15,000
Car Hire			\$ -	\$ -	\$ -	\$ -
Car Repair Net			\$ -	\$ -	\$ -	\$ -
Sub Total - Freight Car & Locomotive	\$ 35,000	\$ -	\$ 35,000	\$ 35,000	\$ -	\$ 35,000
Other Operating Costs						
Rent	\$ 20,000	\$ 15,770	\$ 4,230	\$ 20,000	\$ 15,770	\$ 4,230
Electricity	\$ 9,000	\$ 8,473	\$ 527	\$ 9,000	\$ 8,473	\$ 527
Heat			\$ -	\$ -	\$ -	\$ -
Insurance Payments	\$ 73,406	\$ 82,711	\$ (9,305)	\$ 73,406	\$ 82,711	\$ (9,305)
Bank Charges / Interest Expense		\$ 1,439	\$ (1,439)	\$ -	\$ 1,439	\$ (1,439)
Rail Testing			\$ -	\$ -	\$ -	\$ -
Phone, Internet, Radio, Other expenses	\$ 44,399	\$ 69,261	\$ (24,862)	\$ 44,399	\$ 69,261	\$ (24,862)
Sub Total - Rent, Heat & Utilities	\$ 146,805	\$ 177,653	\$ (30,848)	\$ 146,805	\$ 177,653	\$ (30,848)
Restructuring Costs						
Utility Deposits - US			\$ -	\$ -	\$ -	\$ -
Utility Deposits - CDN			\$ -	\$ -	\$ -	\$ -
Notice in newspaper			\$ -	\$ -	\$ -	\$ -
Professional fees - US			\$ -	\$ -	\$ -	\$ -
Professional fees - CDN			\$ -	\$ -	\$ -	\$ -
Sub Total - Other Indirect/Operating Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Disbursements	\$ 538,742	\$ 494,683	\$ 44,059	\$ 538,742	\$ 494,683	\$ 44,059
Net Cash Flow (Use) - Operations	\$ (199,207)	\$ 103,568	\$ 302,775	\$ (199,207)	\$ 103,568	\$ 302,775
SUMMARY						
Cash Beginning	\$ 580,795	\$ 580,795	\$ (0)	\$ 281,467	\$ 281,467	\$ -
Net Weekly Cash Flow	\$ (199,207)	\$ 103,568	\$ 302,775	\$ (199,207)	\$ 103,568	\$ 302,775
Financing Receipts (Paydowns)			\$ -			\$ -
Cash Ending	\$ 381,588	\$ 684,363	\$ 302,775	\$ 82,260	\$ 385,035	\$ 302,775

Notes

Gross Agings:

- 5 MMA Freight
MMA Misc
1 MCC Freight-Disc
2 MCC Misc-Disc
Total AR Agings

LMS Warehouse

Net ISS Settlement:

- US
Canada

Unsettled Gross Waybills:

Gross AR:

- US
3 Less aged AR US Waybills not relieved from system
Canada
3 Less aged AR CN Waybills not relieved from system

Total Gross AR

- 4 Parts Inventory
6 Diesel Fuel 8/7 @ 3.05/gal

Total Inventory

Total AR & Inventory

Inc(Dec) from 8/7/13

10/4/2013	9/27/2013	9/20/2013	9/13/2013	9/6/2013	8/7/2013
1,665,020.00	1,840,615.55	1,726,377.99	1,528,035.83	1,862,350.06	1,846,269.58
819,706.69	852,997.53	835,242.84	768,846.40	755,584.64	581,971.09
159,877.01	161,717.48	139,871.31	269,768.72	290,580.57	296,956.83
477,372.41	429,274.54	462,762.95	464,962.82	472,295.71	323,149.49
3,121,976.10	3,284,605.10	3,164,255.09	3,031,613.77	3,380,810.98	3,048,346.99
n/a	n/a	n/a	n/a	n/a	n/a
29,799.68	207,078.84	202,502.72	191,499.44	50,371.46	36,244.43
3,168.02	80,169.09	80,171.04	80,172.56	18,006.65	51,811.59
309,120.83	354,259.17	344,269.57	406,626.82	460,504.10	407,315.93
(188,932.75)	(188,932.75)	(188,932.75)	(252,505.69)	(252,505.69)	(252,505.69)
177,556.36	138,493.41	96,074.00	448,596.30	463,473.28	498,302.40
-	-	-	(346,725.64)	(346,725.64)	(346,725.64)
297,744.44	303,819.83	251,410.82	255,991.79	324,746.05	306,387.01
3,452,688.24	3,875,672.86	3,698,339.67	3,559,277.56	3,773,935.14	3,442,790.02
1,091,649.98	1,095,232.48	1,098,834.66	1,098,834.66	1,112,097.00	1,181,097.00
115,900.00	125,050.00	102,175.00	131,150.00	161,650.00	301,523.00
1,207,549.98	1,220,282.48	1,201,009.66	1,229,984.66	1,273,747.00	1,482,620.00
4,660,238.22	5,095,955.34	4,899,349.33	4,789,262.22	5,047,682.14	4,925,410.02
(265,171.79)	170,545.32	(26,060.68)	(136,147.79)	122,272.13	

Notes:

- BK Sch did not convert CN \$ to US \$ for MCC Freight AR
- Canadian Misc AR was intentionally omitted from BK Schedules. Canadian Frt Revenue AR was included in BK Schedules because these invoices collected by MMA in US funds into US bank account.
- US & CN Waybills statements included invoices previously issued in error and apparently not deleted from the system when replaced with the corrected waybill. MMA is still investigating the (188k) in Waybills not relieved from system in w/e 9/20, for which (174k) is disputed interline AR with Canadian Pacific and possibly a valid AR. The Waybills amounts not relieved from system were increased from (82k) to (252) for reports prior to 9/20 for this issue.
- Supply parts inventory and Diesel Fuel Inventory schedules are not available at 8/7. Above analysis uses the pro rata change between 7/31 and 9/6
- A journal entry was made to US Freight AR on 9/20 for \$121,501 to reclassify a credit balance owed to Louisiana Pacific to pre-petition AP.
- Calculation of Inventory at 9/27/13 includes a positive adjustment for 25k gallons for diesel fuel recovered from locomotives out of service.

	Cash Flow			
	Revised Budget 10-7-13			
	ACTUAL W/E 10/4/2013	W/E 10/11/2013	FORECAST W/E 10/18/2013	W/E 10/25/2013
Forecasted Net Freight Revenue (Sales):	182,020	160,000	160,000	160,000
Receipts:				
Transportation Revenue Collected:				
Freight Revenue and Zone Switching	\$ 281,752	\$ 20,000	\$ 30,000	\$ 30,000
ISS Receivable	149,632			
Ins. Settlement - Travellers				
Customer Settlements	50,000			150,000
Sub Total - Transportation Revenue	481,384	20,000	30,000	180,000
Other Operating Revenue				
Switching & Miscellaneous	79,867			16,000
Railcar Storage				
Contract Shop & Car Repairs				
Equipment Rental	37,000			
Car Hire Revenue				10,000
Sub Total - Other Operating Revenue	116,867	-	-	26,000
Non-Operating Revenue				
Scrap Sales				
Private & Gov't Re-imbursements				
Traveler Business Interruption	-	-	-	-
Sub Total - Non-Operating Revenue	-	-	-	-
Total Cash Receipts	598,251	20,000	30,000	206,000
Disbursements:				
Transportation Revenue Offsets				
NBSR, MNR, SLQ, CN	83,615	-	-	-
Sub Total - Transportation Revenue Offsets	83,615	-	-	-
Payroll & Related				
Salaries, Wages & Commissions US	63,743	91,000	67,465	
Employee Benefits & Claims - US	48,190	31,500	31,500	31,500
Salaries, Wages & Commissions CDN	80,095		103,426	
Group Health, pension and union dues- CDN	21,072	10,300	14,400	
Aetna Past Dues				
Vacation pay arrears - CDN				
Sub Total - Payroll & Related	213,100	132,800	216,791	31,500
Materials & Supplies				
Diesel Fuel	-	-	25,200	31,500
Material Costs US	1,622	10,000	10,000	45,000
Material Costs CDN	18,692	30,000	35,000	10,000
Sub Total - Material & Supplies	20,314	40,000	70,200	86,500
Freight Car & Locomotive Expense				
Leases - Car	-	-	20,000	-
Leases - Locomotive	-	-	15,000	-
Car Repair Net	-	-	-	-
Sub Total - Freight Car & Locomotive	-	-	35,000	-
Other Operating Costs				
Rent	15,770	-	4,230	
Electricity	8,473	-	500	
Heat				2,700
Insurance Payments	82,711			43,500
Bank Charges / Interest Expense	1,439			1,500
Rail Testing		58,000	30,000	
Phone, Internet, Radio, Other expenses	69,261	16,500	25,000	34,500
Sub Total - Rent, Heat & Utilities	177,654	74,500	59,730	82,200
Restructuring Costs				
Utility Deposits - US			5,000	
Sub Total - Other Indirect/Operating Costs	-	-	5,000	-
Total Disbursements	494,683	247,300	386,721	200,200
Net Cash Flow (Use) - Operations	103,568	(227,300)	(356,721)	5,800
SUMMARY				
Cash Beginning	580,795	684,363	457,063	100,342
Net Weekly Cash Flow	103,568	(227,300)	(356,721)	5,800
Financing Receipts (Paydowns)	-	-	-	-
Cash Ending	\$ 684,363	\$ 457,063	\$ 100,342	\$ 106,142

Cash Flow
Revised Budget 10-7-13

	ACTUAL	FORECAST			
	W/E 10/4/2013	W/E 10/11/2013	W/E 10/18/2013	W/E 10/25/2013	
Collateral Analysis:	10/4/13	10/11/13	10/18/13	10/25/13	
Customer AR:					
MMA Frt	1,665,020				
MMA Misc	819,707				
MCC Frt	159,877				
MCC Misc	477,373				
Total Customer AR	3,121,977	3,121,977	3,234,945	3,334,945	
Add Sales Debited to AR		132,968	130,000	130,000	
Less AR Cash Collected		(20,000)	(30,000)	(206,000)	
Rollforward AR	3,121,977	3,234,945	3,334,945	3,258,945	
ISS Settlement	32,968	60,000	90,000	120,000	
Gross Waybills (Consider Work in Process)	297,744	299,300	299,300	299,300	
Total AR	3,452,689	3,594,245	3,724,245	3,678,245	
Inventory:					
Spare Parts-see assumption below	1,091,650	1,075,275	1,059,146	1,043,259	
Diesel @ 3.05 per gallon per below	115,900	80,825	69,425	64,325	
Total Inventory	1,207,550	1,156,100	1,128,571	1,107,584	
Total Collateral	4,660,239	4,750,345	4,852,816	4,785,829	
Collateral Inc(Dec)	\$ (265,171)	\$ (175,065)	\$ (72,594)	\$ (139,581)	
Spare Part Useage Per Wk	1.50%	1.50%	1.50%	1.50%	
Diesel Gallon, Beg	48,500	38,500	26,500	22,762	
Purchase			8,262	10,328	
Useage Assumption	(10,000)	(12,000)	(12,000)	(12,000)	
Adj for recovered diesel	-	-	-	-	
Diesel Gallon, End	38,500	26,500	22,762	21,090	
Purchase Price Assumption	3.05	3.05	3.05	3.05	