

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MAINE**

In re:

MONTREAL MAINE & ATLANTIC  
RAILWAY, LTD.

Debtor.

Bk. No. 13-10670  
Chapter 11

**THIRD INTERIM APPLICATION FOR COMPENSATION AND REIMBURSEMENT  
OF EXPENSES FOR KUGLER KANDESTIN, LLP, AS SPECIAL COUNSEL TO THE  
TRUSTEE, ROBERT J. KEACH, FOR THE PERIOD FROM  
OCTOBER 1, 2014 THROUGH OCTOBER 31, 2015**

Name of Applicant: Kugler Kandestin, LLP

Authorized to Provide Professional Services as: Special Counsel to Robert J. Keach, the  
duly appointed Chapter 11 trustee of the  
bankruptcy estate of the Debtor

Petition Date: August 7, 2013

Date of Retention: August 29, 2013

Period for Which Compensation and Reimbursement is Sought: October 1, 2014 through  
October 31, 2015

Total Amount of Compensation sought as actual, reasonable and necessary: CAD 165,205.00

Total Amount of Expenses sought as actual, reasonable and necessary: CAD 1,112.68

Total Fees and Expenses Requested:\* CAD 166,317.68

This is a(n): \_\_\_ monthly X interim \_\_\_ final application.

\* As discussed herein, Kugler Kandestin, LLP, a Canadian entity, is entitled to seek compensation based on hourly billing rates in Canadian Dollars.

Prior Fee Applications:

		Requested		Approved	
Date Filed	Period Covered	Fees	Expenses	Fees	Expenses
7/10/14	August 26, 2013 – May 22, 2014	CAD 256,982.50	CAD 2,392.27	CAD 256,982.50	CAD 2,392.27
11/7/14	May 23, 2014 – September 30, 2014	CAD 18,895.00	CAD 338.80	CAD 18,895.00	CAD 338.80

**SUMMARY BY TIMEKEEPER OF SERVICES RENDERED**

NAME OF PROFESSIONAL PERSON	HOURLY BILLING RATES	TOTAL BILLED HOURS	TOTAL COMPENSATION
<b>PARTNER</b>			
Gerald F. Kandestin	CAD 700.00	163.3	CAD 114,310.00
<b>ASSOCIATE</b>			
Virginie Raymond-Mailhot	CAD 225.00	21.3	CAD 4,792.50
Jeremy Cuttler	CAD 225.00	204.9	CAD 46,102.50
<b>TOTAL</b>		<b>389.5</b>	<b>CAD 165,205.00</b>

Blended professional hourly rate: CAD 424.15

**EXPENSE SUMMARY**

CHARGES & DISBURSEMENTS	AMOUNTS
Outgoing Fax	CAD 0.40
Taxi	CAD 26.09
Meals	CAD 18.01
Parking	CAD 230.28
Photocopies	CAD 837.90
<b>TOTAL</b>	<b>CAD 1,112.68</b>

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TRUSTEE, ROBERT J. KEACH, FOR THE PERIOD FROM  
OCTOBER 1, 2014 THROUGH OCTOBER 31, 2015**

Kugler Kandestin, LLP (“Kugler Kandestin”), special counsel to Robert J. Keach, the duly appointed chapter 11 trustee (the “Trustee”) in the above-captioned chapter 11 case of Montreal Maine & Atlantic Railway, Ltd. (the “Debtor”), submits this third interim application (the “Fee Application”) for compensation for professional services and reimbursement of expenses for the period from October 1, 2014 through and October 31, 2015 (the “Compensation Period”). In support of the Fee Application, Kugler Kandestin states as follows:

**JURISDICTION AND VENUE**

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. §157(b)(2). The statutory predicates for the relief sought herein are sections 327(a) and 330 of the Code, Federal Rule of Bankruptcy Procedure 2016(a), and Rule 2016-1 of the local rules of this Court (the “Local Rules”).

**BACKGROUND**

2. On August 7, 2013, the Debtor filed a voluntary petition for relief under chapter 11 of 11 U.S.C. § 101 et seq. (the “Bankruptcy Code”), in the United States Bankruptcy Court

for the District of Maine. Simultaneously, the Debtor's wholly-owned subsidiary, Montreal Maine & Atlantic Canada Co. ("MMA Canada") filed for protection under Canada's Companies' Creditors Arrangement Act (the "Canadian Case"). On or about August 21, 2013, the United States Trustee appointed the Trustee to serve as trustee in the Debtor's chapter 11 case (the "Case") pursuant to 11 U.S.C. § 1163.

3. On August 27, 2013, the Trustee filed his Application for Order, Pursuant to Sections 327 and 328 of the Bankruptcy Code, Authorizing the Employment of Kugler Kandestin, LLP as Special Counsel for the Trustee [Docket No. 103] (the "Retention Application"). On August 28, 2013, the Trustee filed his Amended Application for Order, Pursuant to Sections 327 and 328 of the Bankruptcy Code, Authorizing the Employment of Kugler Kandestin, LLP as Special Counsel for the Trustee [Docket No. 108] (the "Amended Retention Application").

4. On August 29, 2013, the Court entered an order granting the relief sought in the Amended Retention Application [Docket No. 122]. On September 3, 2013, the Court entered an amended order authorizing the employment of Kugler Kandestin as special counsel to the Trustee pursuant to sections 327 and 328 of the Bankruptcy Code [Docket No. 143] (the "Amended Retention Order").

5. As set forth in the Amended Retention Order, Kugler Kandestin is authorized to provide legal services "relating to (i) all matters of Canadian law and procedure pertaining to the Case, and (ii) all matters of interest to the Trustee under the Canadian Case." Amended Retention Order, ¶ 4.

6. Kugler Kandestin is authorized to:

apply to the Court for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Case in

accordance with the applicable provisions of expenses incurred with the Case and in accordance with the applicable provisions of the Bankruptcy Code, the Fed. R. Civ. P., the Local Rules, the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330, and any applicable orders of the Court.

Amended Retention Order, ¶ 5. As disclosed in the Affidavit of Gerald F. Kandestin in Support of the Application for Order, Pursuant to Sections 327 and 328 of the Bankruptcy Code, Authorizing the Employment of Kugler Kandestin, LLP, as Special Counsel for the Trustee Nunc Pro Tunc to August 21, 2013 (the "Kandestin Affidavit"), the hourly rates for Kugler Kandestin professionals are in Canadian Dollars.

7. On July 10, 2014, Kugler Kandestin filed the First Interim Application for Compensation and Reimbursement of Expenses for Kugler Kandestin, LLC as Special Counsel to the Trustee, Robert J. Keach, for the Period of August 26, 2013 Through May 22, 2014 [Docket No. 1015] (the "First Interim Fee Application"). The First Interim Fee Application sought allowance of compensation for professional services in the amount of CAD 256,982.50 and reimbursement of expenses incurred in connection with rendering such services in the amount of CAD 2,392.27. By order of this Court entered on July 24, 2014 [Docket No. 1043], the Court awarded Kugler Kandestin CAD 256,982.50 in fees and CAD 2,392.27 in expenses in relation to the First Interim Fee Application. As of the date of this Fee Application, all fees and expenses requested in the First Interim Fee Application have been paid.

8. On November 7, 2014, Kugler Kandestin filed the Second Interim Application for Compensation and Reimbursement of Expenses for Kugler Kandestin, LLP as Special Counsel to the Trustee, Robert J. Keach, for the Period from May 23, 2014 Through September 30, 2014 [Docket No. 1203] (the "Second Interim Fee Application"). The Second Interim Fee Application sought allowance of compensation professional services in the amount of CAD 18,895.00 and

reimbursement of expenses incurred in connection with rendering such services in the amount of CAD 338.80. By order of this Court entered on November 19, 2014 [Docket No. 1256], the Court awarded Kugler Kandestin CAD 18,895.00 in fees and CAD 338.80 in expenses in relation to the Second Interim Fee Application. As of the date of this Fee Application, all fees and expenses requested in the Second Interim Fee Application have been paid.

9. Since entry of the Amended Retention Order, and throughout the Compensation Period, Kugler Kandestin has worked with the Trustee to meet the challenges presented by this cross-border Case in a manner beneficial to the creditors of the Debtor's estate. The following discussion and materials annexed hereto cover the major categories of services for which allowance of compensation is sought.

#### **COMPENSATION AND REIMBURSEMENT REQUEST**

10. Kugler Kandestin seeks allowance of compensation for professional services in the amount of CAD 165,205.00 and reimbursement of expenses incurred in rendering such services in the amount of CAD 1,112.68. Pursuant to Rule 2016(a) of the Federal Rules of Bankruptcy Procedure and Local Rule 2016-1(a)(3)(i), a detailed statement of professional services provided by Kugler Kandestin to the Trustee (the "Billing Statement") is set forth in **Exhibit A**, annexed hereto and incorporated herein by reference.

11. Pursuant to Local Rule 2016-1(a)(3)(iv), a detailed statement setting forth billing rates, total hours billed, and total amounts billed for each professional at Kugler Kandestin during the Compensation Period and associated expenses incurred is contained in the tables located at the beginning of this Fee Application.

12. No agreement or understanding exists between Kugler Kandestin and any other entity for the sharing of compensation sought by this Fee Application. In addition, no payments

have been made or promised to Kugler Kandestin for services rendered or to be rendered in connection with the Case, except as set forth in the Retention Application and the Amended Retention Application and detailed in this Fee Application.

13. As discussed in the Retention Application, the Amended Retention Application, and the Kandestin Affidavit, Kugler Kandestin is a law firm located in Montreal, Quebec. Kugler Kandestin has substantial experience representing clients in civil and commercial matters relating to restructuring and insolvency, financial services, insurance, and litigation. Pursuant to Local Rule 2016-1(a)(3)(v), a brief biography of each Kugler Kandestin professional who has rendered services in connection with the fees and expenses herein is set forth in **Exhibit B**, annexed hereto and incorporated herein by reference.

14. This Fee Application is Kugler Kandestin's third application to this Court for compensation for professional services and reimbursement of expenses pursuant to sections 328 and 331 of the Bankruptcy Code, Rule 2016 of the Federal Rules of Bankruptcy Procedure, and Local Rule 2016-1. As required by paragraph (b)(v) of the UST Guidelines, the Trustee has been given the opportunity to review this Fee Application and has approved the requested amount.

#### **SUMMARY OF SERVICES**

15. Kugler Kandestin serves as special counsel to the Trustee with respect to all matters of Canadian law and procedure pertaining to the Case, as well as all matters of interest to the Trustee under the Canadian Case. In rendering professional services to the Trustee, Kugler Kandestin's team includes professionals with extensive experience in cross-border insolvency, both in providing local representation in foreign insolvency filings, as well as working with counsel in other jurisdictions. Kugler Kandestin's professionals have worked closely with the

Trustee and his other professionals to coordinate assignments in order to maximize efficiency and avoid any duplication of effort.

16. As set forth in greater detail in the Billing Statement, Kugler Kandestin's services included the following: (a) attending meetings and communications with the Trustee and the Trustee's professionals; (b) attending hearings, meetings, and conferences in connection with the Case and the Canadian Case; (c) reviewing and drafting court filings and motion papers in connection with the Canadian Case; and (d) advising the Trustee on matters of Canadian law.

**ACTUAL AND NECESSARY DISBURSEMENTS**

17. As set forth on Exhibit A attached hereto, Kugler Kandestin has disbursed CAD 1,112.68 as expenses incurred in providing professional services during the Compensation Period. The expenses incurred arise from outgoing faxes, meals, parking, photocopies, and taxi fares. These expenses represent the out-of-pocket disbursements incurred during the regular course of the provision of the services at issue.

**THE REQUESTED COMPENSATION SHOULD BE ALLOWED**

18. Pursuant to section 330 of the Bankruptcy Code, the Court may award professionals "reasonable compensation for actual, necessary services." 11 U.S.C. § 330(a)(1)(A). The Court may, on its own motion or an objection filed by a party in interest, "award compensation that is less than the amount of compensation that is requested." 11 U.S.C. § 330(a)(2). In evaluating the amount of reasonable compensation to be awarded, the Court should consider:

the nature, the extent, and the value of such services, taking into account all relevant factors including:

- (A) the time spent on such services;
- (B) the rates charged for such services;



(C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;

(D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;

(E) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and

(F) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

19. Kugler Kandestin submits that the services for which it seeks compensation in this Fee Application were necessary for and beneficial to the Trustee. The services rendered by Kugler Kandestin were performed economically, effectively, and efficiently. Those services were essential given the cross-border nature of the cases and the need for the Trustee to be represented in the Canadian Case and to have an advisor on all aspects of Canadian law. Accordingly, the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Trustee and the estate.

20. The work conducted was carefully assigned to appropriate professionals according to the experience and level of expertise required for each particular task. Whenever possible and where appropriate, Kugler Kandestin sought to minimize the cost of its services by utilizing talented professionals with lower billing rates.

21. In sum, the services rendered by Kugler Kandestin were necessary and beneficial to the Trustee and such services were consistently performed in a timely manner, commensurate with the complexity and nature of the issues involved. Accordingly, approval of compensation sought herein is warranted.

**CONCLUSION**

WHEREFORE, Kugler Kandestin respectfully requests that the Court enter an order: (a) approving on an interim basis, pursuant to 11 U.S.C. § 330, compensation for services rendered in the amount of CAD 165,205.00 and reimbursement of expenses in the amount of CDN 1,112.68 and (b) granting such other and further relief as the Court deems just and proper.

DATED: November 13, 2015

**KUGLER KANDESTIN, LLP**

By:



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Kugler Kandestin, LLP  
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Canada H3B 2C6  
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*Special Counsel for Robert J. Keach,  
Chapter 11 Trustee of Montreal Maine &  
Atlantic Railway, Ltd.*



November 11, 2015

**ROBERT J. KEACH, Chapter 11 Trustee of  
Montreal Maine & Atlantic Railway, Ltd.**

100 Middle Street  
West Tower  
Portland, ME  
U.S.A. 04101

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**Re: Montreal Maine & Atlantic Railway, Ltd &  
Montreal, Maine & Atlantic Canada Co.  
Our File Number: 5555 – 1**

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**TO:**

LAWYER	DATE	TIME	DESCRIPTION
GFK	12/01/2014	0.40	Telephone call with Andrew Adessky.
GFK	01/09/2015	0.40	Motion to Extend - review.
GFK	01/09/2015	0.60	Exchange of e-mails with Robert Keach (re: Extension).
GFK	01/09/2015	0.60	Letter to Justice Dumas and e-mail to Service List.
GFK	01/12/2015	1.60	Court attendance hearing (re: CCAA Stay Extension) via conference call.
GFK	01/12/2015	1.00	Review Monitor's Report.
GFK	01/12/2015	0.40	Telephone call with Robert Keach.
GFK	01/15/2015	2.60	Review draft Plan, etc.
GFK	01/17/2015	2.20	Review draft Settlement Agreement and draft Chapter 11 Plan.
GFK	01/17/2015	2.40	Review draft CCAA Order and Monitor's Report.
GFK	01/28/2015	2.00	Meeting with Andrew Adessky (re: CCAA Plan).
GFK	01/28/2015	1.40	Review reports, spreadsheets (re: CCAA Plan).
GFK	02/03/2015	1.60	Review wrongful death motion and materials for meeting with wrongful death attorneys.

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<b>LAWYER</b>	<b>DATE</b>	<b>TIME</b>	<b>DESCRIPTION</b>
GFK	02/04/2015	7.00	Meeting with class action counsel, wrongful death counsel et als.
GFK	02/08/2015	1.20	Review new distribution grid.
GFK	02/25/2015	0.40	Review Order (re: class action suspension).
GFK	03/30/2015	0.40	Telephone call with Robert Keach.
GFK	04/05/2015	2.80	Review final Plan and related documents.
GFK	04/08/2015	0.40	Review of Plan.
GFK	04/08/2015	0.20	Telephone calls with Andrew Adessky (re: Plan).
JC	04/08/2015	0.50	Review Plan of Arrangement.
GFK	04/13/2015	0.30	Telephone call with Bob Keach.
GFK	04/13/2015	0.80	Review Motion for Plan meeting.
GFK	04/13/2015	0.90	Review Motion for Claims Adjudication.
GFK	04/13/2015	2.60	Review Chapter 11 Plan and Disclosure Statement.
GFK	04/13/2015	2.00	Meeting with Gagnon et al (re: Hydro Quebec claim).
GFK	04/13/2015	1.50	Meeting with Gagnon et al. (re: HSBC and other claims).
JC	04/13/2015	0.50	Further review of file including Plan of Arrangement and documents relating thereto.
JC	04/13/2015	1.00	Discussion of file with Gerald Kandestin (re: Plan of Arrangement, file in general, QCAP filings).
GFK	04/14/2015	1.80	Review QCAP filings.
GFK	04/14/2015	0.80	Telephone calls with Patrice Benoit, Andrew Adessky (re: QCAP filings).
GFK	04/14/2015	1.00	Telephone conference call with Bob Keach, Patrice Benoit, Andrew Adessky (re: QCAP strategy).
GFK	04/14/2015	0.80	Telephone calls with Robert Keach (re: QCAP filings).
JC	04/14/2015	1.50	Review Motions (Claims Procedure and creditors' meeting).
JC	04/14/2015	2.50	Conference calls with US trustee, Monitor, Monitor's counsel, Debtor's counsel.

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LAWYER	DATE	TIME	DESCRIPTION
JC	04/14/2015	0.80	Discussion of file with Gerald Kandestin (re: QCAP filings, strategy).
GFK	04/15/2015	0.80	Draft Claims Order.
GFK	04/15/2015	0.40	Telephone conversation with Jeremy Cuttler (re: Hearing on Class Rep. Motion).
GFK	04/15/2015	0.60	Review Motion (re: Claims).
GFK	04/15/2015	0.40	Telephone calls with Jeremy Cuttler (re: Claims Order).
GFK	04/15/2015	0.40	Telephone call with Robert Keach (re: Claims Motion).
JC	04/15/2015	11.00	Travel to and from Sherbrooke Court and attendance at hearing on Class Representatives Motion to file late claims, amend the Plan; Motions by MMA for Creditors' Meeting, extension of the stay period and review and determination of claims.
JC	04/15/2015	1.00	Correspondence and phone calls with Robert Keach and Gerald Kandestin (re: status of hearing).
JC	04/16/2015	0.80	Conference call with Monitor, MMA counsel and client.
GFK	04/21/2015	1.00	Telephone calls (x2) with Andrew Adessky (re: QCAP's).
GFK	04/21/2015	0.90	Review new QCAP Motion (re: late claims).
JC	04/21/2015	1.00	Review QCAP's new motion and materials; discussion with Gerald Kandestin.
GFK	04/22/2015	0.90	Review further late claim motion.
GFK	04/22/2015	0.40	Telephone call with Andrew Adessky (re: Late claim motion).
GFK	04/22/2015	1.20	Review and edit Disclosure Statement and Notice.
GFK	04/23/2015	0.90	Telephone calls with Andrew Adessky (re: QCAP Motion).
GFK	04/23/2015	0.50	Review QCAP's materials.
GFK	04/23/2015	0.40	Telephone calls with Robert Keach (re: QCAP Motion).

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LAWYER	DATE	TIME	DESCRIPTION
GFK	04/24/2015	0.40	Telephone calls with Alexandre Bayus (RE: QCAP Motion).
GFK	04/24/2015	0.50	Telephone call with Andrew Adessky (re: Monday hearings).
GFK	04/24/2015	1.20	QCAPs Court memo (re: Plan).
GFK	04/24/2015	1.90	Review QCAP authorities.
GFK	04/27/2015	10.00	Travel to Sherbrooke and return: Court hearings re: QCAP Motion re: Late Claims & Motion to Alter Class Representation Order.
GFK	04/28/2015	2.00	Review US Plan.
GFK	04/28/2015	1.00	Review Canadian Plan & QCAP Plan.
GFK	04/28/2015	2.20	Review Settlement Agreement.
GFK	04/28/2015	0.90	Telephone calls with Robert Keach Settlement Agreements; and position re: QCAPs.
GFK	04/28/2015	1.20	Telephone conference call with Robert Keach, Andrew Adessky, Gowlings et al (re: QCAP's Plan and strategy).
GFK	04/28/2015	0.70	Telephone call with Andrew Adessky (re: Settlement Agreements and position re: QCAP).
JC	04/28/2015	1.00	Conference call with Robert Keach, Richter, Gowlings.
JC	04/28/2015	0.50	Discussion of file with Gerald Kandestin (re: strategy).
GFK	04/29/2015	1.00	Telephone call with Robert Keach (re: Motion for Plan and Chapter 11 Plan) (x2).
GFK	04/29/2015	1.00	Telephone call with Andrew Adessky et al. (re: QCAP's).
GFK	04/29/2015	3.50	Review and prepare arguments for Court, Settlement Agreements, Chapter 11 Plan, etc.
JC	04/29/2015	0.50	Conference call with Robert Keach, Richter, Gowlings.
GFK	04/30/2015	9.00	Travel to and from Sherbrooke; attendance at Court for QCAP's Motion and Plan Order, meetings, calls to Robert Keach, etc.

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LAWYER	DATE	TIME	DESCRIPTION
JC	04/30/2015	9.00	Travel to and from Sherbrooke court re: Application for QCAP's motion and Plan Order, meetings, calls to Robert Keach etc.
GFK	05/01/2015	2.20	Review e-mails and multiple re-drafts of Meeting Order.
GFK	05/01/2015	1.20	Telephone calls with Andrew Adessky, Pierre Legault, Patrice Benoit (re: Luc Depins's Amendments to Meeting Order).
GFK	05/01/2015	1.60	Telephone calls with Robert Keach (re: Luc Despins's Amendments to Meeting Order)(x3).
GFK	05/04/2015	0.40	Telephone call with Robert Keach (re: Meeting Order changes).
GFK	05/04/2015	0.60	Telephone call with Andrew Adessky (re: Meeting Order changes and meeting related matters).
GFK	05/04/2015	0.60	Telephone call with Patrice Benoit (re: Meeting Order changes and meeting related matters).
GFK	05/04/2015	1.40	Review of various draft clauses for Meeting Order.
GFK	05/05/2015	0.90	Telephone call with Robert Keach (re: Justice Gaetan Dumas's Judgment and Order).
GFK	05/05/2015	1.00	Telephone call with Patrice Benoit et al. (re: Justice Gaetan Dumas's Order).
GFK	05/05/2015	1.40	Review of Justice Gaetan Dumas's Order and Judgment.
JC	05/05/2015	0.50	Review of documents transmitted to Service List (re: Motion for an Order for Creditors' Meeting, etc.).
GFK	05/06/2015	0.80	Telephone call with Robert Keach (re: Canadian Order issues).
GFK	05/06/2015	6.00	Review comments to Order and related documents.
GFK	05/06/2015	0.80	Telephone call with Andrew Adessky (re: Canadian Order Issues).
GFK	05/07/2015	1.80	Review Monitor's form for certain claims.
GFK	05/07/2015	0.40	Telephone calls with Andrew Adessky (re: Monitor's form for certain claims).

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JC	05/07/2015	1.00	Review documents (re: Motions to file late claims, CP motion for communication of documents, judgments).
GFK	05/08/2015	1.80	Review materials for insurance company motions & QCAPs motions.
GFK	05/08/2015	0.90	Telephone discussions with Patrice Benoit, Andrew Adessky (re: May 11 motions).
GFK	05/08/2015	1.80	Review Canadian Pacific motions - declinatory exception, etc.
GFK	05/08/2015	0.90	Telephone discussion with Robert Keach, Andrew Adessky (re: Canadian Pacific Motions - declinatory exception, etc.)
GFK	05/08/2015	0.30	Review May 11 Motions with Jeremy Cuttler.
GFK	05/08/2015	1.00	Preparation discussion with Robert Keach (re: May 11th insurance companies & QCAPs motions).
JC	05/08/2015	1.00	Review documents (re: Motions to file late claims), etc.
JC	05/10/2015	5.50	Review materials re: late claim motions; contestations to such motions; monitor's reports.
JC	05/11/2015	10.00	Travel to and from Sherbrooke Court and attendance re: insurers' motions to file late claims.
GFK	05/12/2015	0.30	Telephone call with Andrew Adessky (conference call re: notices).
GFK	05/12/2015	1.20	Review court proceedings (re: CP).
JC	05/12/2015	0.50	Correspondence to Robert Keach and Gerald Kandestin (re: hearing of May 11, 2015).
JC	05/13/2015	0.50	Conference call.
JC	05/13/2015	0.80	Telephone conference call.
JC	05/13/2015	0.80	Telephone conference call.
GFK	05/19/2015	0.80	Review Motion for May 20th hearing (QCAP late claims motion).
JC	05/19/2015	0.50	Review of solicitation package documents.
GFK	05/20/2015	1.80	Review translation of notices, etc.

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LAWYER	DATE	TIME	DESCRIPTION
VRM	05/20/2015	0.50	Meeting with Gerald Kandestin (re: translation of materials).
JC	05/20/2015	9.00	Travel to and from Sherbrooke Court and attendance re: QCAP Motion to file late claims and correspondence.
GFK	05/21/2015	0.60	Review CP Court filing.
GFK	05/21/2015	1.40	Review Disclosure Statement Motion.
VRM	05/21/2015	7.00	Review of translation of the exhibits of the solicitation procedures motion.
GFK	05/22/2015	0.60	Supervise translations of Notice in Ch. 11 Case.
GFK	05/22/2015	1.20	Review CP Constitutional Challenge.
GFK	05/22/2015	0.40	Telephone discussion with Bob Keach (re: CP Constitutional Challenge).
GFK	05/22/2015	0.40	E-mail to Monitor et al (re: CP constitutional challenge).
VRM	05/22/2015	4.80	Review of translation of exhibits to the solicitation procedures motion.
VRM	05/23/2015	3.00	Review of translation of exhibits to the solicitation procedures motion.
GFK	05/25/2015	2.00	Review translations of various Ch. 11 documents.
VRM	05/25/2015	5.00	Review of translation of exhibits to the solicitation procedures motion.
GFK	05/27/2015	1.40	Review Judgment on Late Claims.
VRM	05/27/2015	0.50	E-mail correspondence with Lindsay Zahradka (re: review of translated exhibits to the solicitation procedures motion).
JC	05/27/2015	10.00	Attendance at information session in Lac Mégantic. Travel to and from Lac Mégantic.
GFK	05/28/2015	0.80	Review Judgment with client (re: late claims).
JC	05/28/2015	0.80	Review Justice Dumas's decision (re: filing of late claims).
JC	05/28/2015	0.50	Correspondence and e-mails (re: Lac Mégantic information session of May 27, 2015).

TPS / GST # R 123095911  
TVQ / QST # 1012941249

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Attorneys - Avocats

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Montréal, Québec  
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LAWYER	DATE	TIME	DESCRIPTION
GFK	06/01/2015	1.00	Preliminary review of CP arguments.
GFK	06/02/2015	3.80	Review of CP Arguments.
JC	06/02/2015	2.00	Review CP's Plan of Argument (re: Declinatory Exception); review CP's Plan of Argument (re: motion requesting communication of documents); discussions of file.
GFK	06/03/2015	2.40	Review CP filings.
GFK	06/03/2015	0.80	Telephone call with Patrice Benoit (re: CP response).
GFK	06/03/2015	0.60	Preparation with Jeremy Cuttler for Mégantic information sessions.
JC	06/03/2015	10.00	June 3rd information session in Lac Mégantic (attendance and travel).
GFK	06/04/2015	0.40	Meeting with Jeremy Cuttler (re: Information sessions review).
GFK	06/04/2015	1.20	Review CP filings.
JC	06/04/2015	0.50	Correspondence with Robert Keach; discussion of file, information session.
JC	06/08/2015	1.00	Review CP's Plan of Argument (re: Contestation of Plan Approval).
JC	06/09/2015	10.00	Meeting of Creditors in Lac Mégantic (travel and attendance).
GFK	06/11/2015	3.20	Review Company's Argument (re: CP Motions).
JC	06/11/2015	1.00	Review MMA's Plan of Argument (re: CP).
JC	06/11/2015	0.50	Discussion of file (re: Plan of Argument).
JC	06/12/2015	1.50	Prepare for Monday's hearing (review materials, notes on materials, etc.); conference call with Robert Keach and Gerald Kandestin.
JC	06/14/2015	4.00	Review materials for hearing on CP's motions (jurisdiction and communication of settlement agreements).
GFK	06/15/2015	0.50	Update on Court hearing.

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LAWYER	DATE	TIME	DESCRIPTION
JC	06/15/2015	14.00	Court attendance and travel (re: CP's Declinatory Motion and CP's Motion for Communication of Settlement Agreements).
VRM	06/16/2015	0.50	E-mail correspondence with Me Zahradka.
JC	06/16/2015	3.00	Review of materials for hearing on approval of Plan.
JC	06/16/2015	1.00	Communication to client; review of notes (re: hearing of June 15, 2015); summarize details of court hearing of June 15, 2015.
GFK	06/17/2015	0.50	Update on Court hearing.
JC	06/17/2015	13.00	Court attendance and travel (re: sanctioning of Plan).
JC	06/19/2015	2.50	Review Order (re: Communication of documents); translation of Order; Review of translation.
JC	06/25/2015	0.50	Translation of class action authorization judgment and CP's Plan of Argument in support of its objection to Plan approval; identify relevant materials, correspondence with US trustee, begin translation.
JC	06/29/2015	10.50	Translation of Judgment authorizing class action against CP.
JC	06/30/2015	12.00	Translation of Judgment authorizing class action against CP and CP's Plan of Argument in support of its objection to the approval of MMA's Plan of Arrangement; review and revise translated documents; translation review: cross reference vocabulary found in translated documents.
JC	07/01/2015	12.00	Translation of judgment authorizing class action against CP and CP's Plan of Argument in support of its objection to the approval of MMA's Plan of Arrangement; review and revise translated documents; translation review: cross reference vocabulary found in translated documents.
GFK	07/06/2015	0.90	Review CP Motion for Leave to Appeal and report to Robert Keach.
GFK	07/06/2015	0.80	Review translations of Quebec proceedings.
JC	07/06/2015	3.50	Translation of CP Motion to Appeal.

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LAWYER	DATE	TIME	DESCRIPTION
JC	07/09/2015	7.00	Review of "Solicitation Package" - translation of updated content; translation of CP's Motion for Permission to Appeal.
JC	07/10/2015	3.00	Translation of revised confirmation hearing notices; translation of CP's Motion for Leave to Appeal.
GFK	07/13/2015	0.20	Telephone call with Robert Keach.
GFK	07/13/2015	2.00	Review Justice Dumas's 2 Judgments: (i) decision dismissing CP's jurisdiction motion; (ii) decision sanctioning the Amended Plan of Compromise and Arrangement.
JC	07/14/2015	2.80	Translation of documents and notices; review and revise translated documents.
GFK	07/15/2015	2.80	Attendance at Richter meeting with US attorneys (re: claims analysis).
GFK	07/15/2015	2.00	Review Creditors' Committee Notice of Objection and Robert Keach's response.
GFK	07/15/2015	0.40	Telephone call with Robert Keach (re: Richter meeting).
JC	07/15/2015	3.00	Finalize translation of confirmation hearing notices; correspondence with attorneys in Maine.
JC	07/16/2015	1.30	Revise translation; correspondence with Robert Keach and MM&A Canada's counsel.
GFK	07/21/2015	0.60	E-mails etc. (re: meeting with Attorney Pete Flowers of the firm WEBSTERS/MYERS & FLOWERS).
GFK	07/21/2015	1.00	Review CP filings.
GFK	07/21/2015	0.40	Telephone call with Robert Keach (re: Leave to Appeal - including the appeal of the Sanction Order, etc.).
GFK	07/22/2015	1.40	Review Mitch Toups documents (re: Claims).
JC	07/22/2015	2.00	Meeting (re: claims of clients of US Attorney Toups).
GFK	07/27/2015	1.40	Review CP Motion for Leave to Appeal Sanction Order;
JC	08/04/2015	0.80	Call with US counsel and claimant.
JC	08/05/2015	1.00	Translate CP's Motion to Appeal.

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LAWYER	DATE	TIME	DESCRIPTION
JC	08/07/2015	0.50	Translate CP's Motion to Appeal.
JC	08/07/2015	2.00	Translation of CP's Motion to Appeal Judgment approving Plan of Arrangement.
GFK	09/01/2015	0.80	Telephone call with Andrew Adessky (re: update on Chapter 15 Motion, etc.).
GFK	09/03/2015	0.40	Telephone call with Patrice Benoit.
GFK	09/03/2015	0.50	E-mails (re: Court of Appeal hearing).
JC	09/03/2015	2.00	Revise translation of CP's Motion to Appeal Authorization of Plan.
GFK	09/08/2015	0.40	Telephone call with Me Guillaume Michaud (re: Canada Post claim).
JC	09/10/2015	1.00	Finalization translation (Motion for Leave to Appeal from a Judgment).
GFK	10/06/2015	0.20	Telephone call with Robert Keach (re: CP).
GFK	10/06/2015	0.20	Telephone call with Patrice Benoit (re: CP).
JC	10/06/2015	0.50	Discussion of file (re: Appeal by CP).
GFK	10/07/2015	0.30	Telephone calls with Robert Keach (x3) (re: Motion to Amend Plan).
GFK	10/07/2015	1.00	Review Motion to Amend Plan.
GFK	10/07/2015	0.40	E-Mails to Robert Keach (re: QCAP's and Province's position with respect to the Motion to Amend Plan).
JC	10/07/2015	1.00	Review Motion and materials for October 8, 2015 telephone hearing.
GFK	10/08/2015	1.50	Court attendance via telephone (re: Motion to Vary the Order Approving the Amended Plan of Compromise and Arrangement); e-mails with Robert Keach (re: Motion).
JC	10/08/2015	1.50	Court attendance via telephone and correspondence (re: Motion to Vary the Order Approving the Amended Plan of Compromise and Arrangement).
GFK	10/13/2015	0.80	Review new Plan Amended Order.
GFK	10/26/2015	0.40	Review of Robert Keach Memo (re: timing of timed payments).

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**SUMMARY OF HOURS & FEES:**

<b>FIRM MEMBER</b>	<b>POSITION</b>	<b>HOURS</b>	<b>HOURLY RATE</b>	<b>TOTALS</b>
(GFK) Gerald F. Kandestin	Partner	163.30	CDN \$700.00	CDN \$114,310.00
(VRM) Virginie Raymond-Mailhot	Associate	21.30	CDN \$225.00	CDN \$ 4,792.50
(JC) Jeremy Cuttler	Associate	204.90	CDN \$225.00	CDN \$ 46,102.50
<b>TOTAL FEES:</b>				<b>CDN \$165,205.00</b>

**DISBURSEMENTS:**

FAX TRANSMISSIONS	CDN \$ .40	
TAXI (Montreal Courthouse)	CDN \$ 26.09	
MEALS	CDN \$ 18.01	
PARKING (Montreal, Sherbrooke Courthouse)	CDN \$230.28	
PHOTOCOPIES	CDN \$837.90	

<b>TOTAL DISBURSEMENTS:</b>	<b>CDN \$ 1,112.68</b>
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<b>TOTAL:</b>	<b>CDN \$166,317.68</b>
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## **EXHIBIT B**

### **Gerald F. Kandestin**

Mr. Kandestin leads the firm's practice areas of bankruptcy, insolvency and corporate restructurings, secured lending, security enforcement and related litigation. He has been involved in virtually every aspect of bankruptcy, insolvency & corporate restructurings. He regularly acts for major banks, asset based lenders, factoring companies and other lenders in virtually every aspect of documenting and enforcing secured transactions. He is also heavily involved in commercial litigation, particularly related to insolvency and security enforcements. Mr. Kandestin is a long-time member of the exclusive Insolvency Institute of Canada, having completed two terms as a director and secretary, and is a member of both the American Bankruptcy Institute and Insol International. He is a founding member and past president of the Montréal branch of the Canadian Turnaround Management Association. He is also a past president of The Lord Reading Law Society and has served two terms as Treasurer of the Montréal Bar Association. Mr. Kandestin was a member of a special committee of the Insolvency Institute of Canada advising the Canadian government's Minister of Industry, Trade and Commerce on amendments to the Canadian Bankruptcy and Insolvency Act and Canadian Companies' Creditors Arrangement Act.

### **Virginie Raymond- Mailhot**

Ms. Raymond-Mailhot joined the firm in 2011. She practices primarily in civil and commercial litigation, personal injury, insurance and professional liability. Ms. Raymond-Mailhot graduated on the Dean's Honours List from the University of Ottawa with a Civil Law degree and completed the National Program in Common Law from the same institution. Prior to her legal studies, Ms. Raymond-Mailhot obtained a Bachelor's degree in Psychology from the University of Montréal. During her studies, Ms. Raymond-Mailhot took part in the International Exchange Program at the University of Western Australia. She also participated to the Pro Bono Student Canada Program as well as the 2009 Pierre-Basile Mignault Moot and was the recipient of the Prix du Barreau de Hull in 2009. She co-authored and co-presented a presentation on the constitution and organization of business corporations for the mandatory continuing education program of the Bar of Québec.

### **Jeremy Cuttler**

Mr. Cuttler is an associate practicing in the areas of bankruptcy, insolvency & restructuring, financing (secured transactions) and commercial transactions. Mr. Cuttler has experience acting for both debtors and creditors in insolvency matters including national retailers, financial institutions and commercial property owners. In addition, Mr. Cuttler has been involved in numerous transactions in the context of insolvency proceedings, including asset sales and acquisitions, refinancing and exit financing. As well, Mr. Cuttler has been involved in significant conventional and asset-based lending transactions.

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MAINE**

In re:

MONTREAL MAINE & ATLANTIC  
RAILWAY, LTD.

Debtor.

Bk. No. 13-10670  
Chapter 11

**ORDER GRANTING THIRD INTERIM APPLICATION FOR COMPENSATION AND  
REIMBURSEMENT OF EXPENSES FOR KUGLER KANDESTIN, LLP, AS SPECIAL  
COUNSEL TO THE TRUSTEE, ROBERT J. KEACH, FOR THE PERIOD FROM  
OCTOBER 1, 2014 THROUGH OCTOBER 31, 2015**

This matter having come before the Court on the Third Interim Application for Compensation and Reimbursement of Expenses for Kugler Kandestin, LLP, Special Counsel to the Trustee, Robert J. Keach, for the Period from October 1, 2014 Through October 31, 2015 (the "Fee Application"), and after proper notice to all creditors and other parties-in-interest, the Court having independently reviewed the Fee Application, it is hereby **ORDERED**, **ADJUDGED**, and **DECREED** as follows:

1. The Fee Application is granted.
2. In relation to the Compensation Period and, pursuant to 11 U.S.C. § 331, Kugler Kandestin, LLP is allowed compensation for services to the Trustee in the aggregate amount of CAD 166,317.68, including professional fees in the amount of CAD 165,205.00 and reimbursement of expenses in the amount of CAD 1,112.68.<sup>1</sup>

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Fee Application.



3. The fees and expenses for the Compensation Period are hereby awarded on an interim basis in accordance with the applicable sections of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, and this Court's local rules.

Dated:

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The Honorable Peter G. Cary  
Chief Judge, United States Bankruptcy Court