

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

In re:

MONTREAL MAINE & ATLANTIC
RAILWAY, LTD.

Debtor.

Bk. No. 13-10670

Chapter 11

TRUSTEE'S RESPONSE TO NEW BRUNSWICK SOUTHERN RAILWAY COMPANY LIMITED AND MAINE NORTHERN RAILWAY COMPANY'S STATUS REPORT AND REQUEST FOR JUDGMENT IN CONNECTION WITH TRUSTEE'S OBJECTION TO PROOFS OF CLAIM FILED BY NEW BRUNSWICK SOUTHERN RAILWAY COMPANY LIMITED AND MAINE NORTHERN RAILWAY COMPANY

Robert J. Keach, the chapter 11 trustee (the "Trustee") of Montreal Maine & Atlantic Railway, Ltd. ("MMA" or the "Debtor"), hereby responds to the *New Brunswick Southern Railway Company Limited and Maine Northern Railway Company's Status Report and Request for Judgment in Connection with Trustee's Objection to Proofs of Claim Filed by New Brunswick Southern Railway Company Limited and Maine Northern Railway Company* [D.E. 1966] (the "MN/NB Railways' Status Report") filed by New Brunswick Southern Railway Company Limited and Maine Northern Railway Company (together, the "MN/NB Railways").

1. The basis for the disagreement between the Trustee and the MN/NB Railways (together, the "Parties")—and thus the reason for their separate status reports—was that the Parties did not reach agreement on a form of order to submit to the Court, but were conscious of timely informing the Court of the status of their discussions. The Trustee thus initially determined not to include any form of order with his status report; the MN/NB Railways, however, submitted a form of order with their status report that the Trustee had informed them was not acceptable to the Trustee.

2. In particular, the Trustee took issue with the MN/NB Railways' characterization of this Court's oral ruling (the "Ruling") on the *Trustee's Objection to Proofs of Claim Filed by New Brunswick Southern Railway Company Limited and Maine Northern Railway Company on the Basis that Certain of such Claims are Duplicative of Others, and Such Others are Improperly Asserted as Administrative and/or Priority Claims* [D.E. 1826] (the "Objection").¹ The Trustee submits that the record should be limited to the announced findings and conclusions without alteration. In that vein, in the form of order that the Trustee proposed to the MN/NB Railways (attached hereto as Exhibit A), the Ruling was incorporated by reference and not cloaked in the Trustee's characterization thereof.

3. The Trustee thus respectfully requests that the Court enter an order incorporating its oral Ruling instead of adopting any party's characterization of that Ruling, and submits that the attached form of order does simply that.

Dated: February 17, 2016

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

By his attorneys:

/s/ Sam Anderson

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Montreal Maine & Atlantic Railroad Ltd.*

¹ Capitalized terms not defined herein shall have the meanings ascribed to them in the Objection.



UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

In re:

MONTREAL MAINE & ATLANTIC
RAILWAY, LTD.

Debtor.

Bk. No. 13-10670
Chapter 11

**ORDER SUSTAINING IN PART AND OVERRULING IN PART
TRUSTEE'S OBJECTION TO PROOFS OF CLAIM FILED BY NEW BRUNSWICK
SOUTHERN RAILWAY COMPANY LIMITED AND MAINE NORTHERN RAILWAY
COMPANY LIMITED ON THE BASIS THAT CERTAIN OF SUCH CLAIMS ARE
DUPLICATIVE OF OTHERS, AND SUCH OTHERS ARE IMPROPERLY
ASSERTED AS ADMINISTRATIVE AND/OR PRIORITY CLAIMS**

This matter having come before the Court on the *Trustee's Objection to Proofs of Claim Filed by New Brunswick Southern Railway Company Limited and Maine Northern Railway Company Limited on the Basis that Certain of Such Claims Are Duplicative of Others, and Such Others Are Improperly Asserted as Secured and/or Priority Claims* (the "Objection")¹ filed by Robert J. Keach, the chapter 11 trustee (the "Trustee") of Montreal Maine & Atlantic Railway, Ltd., in relation to (a) Proofs of Claim No. No. 242-1 (the "MN Duplicate Claim") and 257-1 ("Claim 257") filed by Maine Northern Railway Company Limited ("MN Railway") and (b) Proofs of Claim No. 243-1 ("NB Duplicate Claim," and together with the MN Duplicate Claim, the "Duplicate Claims") and 259-1 ("Claim 259," and together with Claim 257, the "Asserted 1171(b) Claims") filed by New Brunswick Southern Railway Company Limited ("NB Railway," and together with MN Railway, the "MN/NB Railways"); and after such notice and opportunity for hearing as was required by the United States Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, and this Court's local rules, and after due deliberation and

¹ Capitalized terms not defined in this Order shall have the meanings ascribed to such terms in the Objection.

sufficient cause appearing therefore; and for the reasons set forth on the record by the Court on February 5, 2016, it is hereby **ORDERED**, **ADJUDGED**, and **DECREED** that:

1. The Objection is sustained in part and overruled in part, as set forth herein.
2. The Duplicate Claims shall be disallowed in their entireties and expunged from the Debtor's claims register.
3. The Asserted 1171(b) Claims, to the extent allowed, are afforded priority status under Bankruptcy Code section 1171(b). The amount of the Asserted 1171(b) Claims is not determined by this Order, and thus those Asserted 1171(b) Claims are not allowed in any amount at this time. The Trustee's rights to object to the amount of the Asserted 1171(b) Claims are fully reserved.
4. All other rights reserved in the Objection are hereby reserved.
5. Notwithstanding the minute entry at Docket Entry 1947, this Order constitutes the Court's ruling and judgment on the matters read into the record on February 5, 2016. The time period within which parties must appeal this Order in accordance with the Bankruptcy Rules thus runs from the date hereof.

Dated: _____, 2016

Honorable Peter G. Cary
Chief Judge, United States Bankruptcy Court
District of Maine