

CANADA

SUPERIOR COURT
(Commercial Division)

PROVINCE OF QUEBEC
DISTRICT OF ST-FRANÇOIS

(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act, R.S.C.
c. C-36, as amended)

N°: 450-11-000167-134

IN THE MATTER OF THE PLAN OF
COMPROMISE OR ARRANGEMENT OF:

MONTREAL, MAINE & ATLANTIC CANADA CO.
(MONTREAL, MAINE & ATLANTIQUE CANADA
CIE)

Debtor Company

and

RICHTER ADVISORY GROUP INC. (RICHTER
GROUPE CONSEIL INC.)

Monitor

and

GUY OUELLET, SERGE JACQUES and LOUIS-
SERGES PARENT

Court Appointed
Representatives of the
Class Members-
PETITIONERS

**MOTION OF THE COURT APPOINTED REPRESENTATIVES OF CLASS MEMBERS
FOR AN ORDER ACCEPTING THE FILING OF AN AMENDED PLAN AND FOR ADVICE
AND DIRECTIONS**

**TO THE HONOURABLE JUSTICE GAÉTAN DUMAS OF THE SUPERIOR COURT, SITTING
IN COMMERCIAL DIVISION, IN AND FOR THE DISTRICT OF SAINT-FRANÇOIS, THE
PETITIONER RESPECTFULLY SUBMITS AS FOLLOWS:**

A. OVERVIEW

1. On April 10, 2015, Montreal, Maine & Atlantic Canada Co. ("**MM&A**") brought a motion for an order for the convening, holding and conduct of a creditors' meeting (the "**Meeting**") to vote on a Plan of Compromise and Arrangement (the "**MM&A Plan**") and for a twelfth extension of the stay period.

2. The representatives of the class members (the “**Class Representatives**”) are concerned that the MM&A Plan will not be approved by the creditors at the Meeting.
3. The Class Representatives seek to put before the creditors an Amended Plan of Compromise and Arrangement (the “**Class Representatives’ Plan**”) in the event that the MM&A Plan is not approved.

B. ORDER SOUGHT

4. This motion is for an order
 - a. accepting the filing of the Class Representatives’ Plan, appended as **Exhibit R-1**; and,
 - b. providing advice and directions to the Class Representatives regarding the dissemination of the Class Representatives’ Plan to the creditors and the holding of the meeting of creditors to vote in respect of the Class Representatives’ Plan in coordination with the meeting and vote on the MM&A Plan (e.g., substantially in accordance with the revised form of Meeting Order appended as **Exhibit R-2**).

C. GROUNDS FOR THIS MOTION

5. Since this court’s order granting MM&A’s “motion for an eleventh order extending the stay period”, the Class Representatives’ counsel have been involved in negotiations with respect to the content and terms of the MM&A Plan.
6. While a number of the changes proposed by the Class Representatives’ counsel were accepted by MM&A, some important proposed changes have been rejected.
7. Among the changes proposed by the Class Representatives that have not been included in the final version of the MM&A Plan:
 - a. the recognition of grandparents and grandchildren as persons having wrongful death claims;
 - b. a greater distribution to parents, siblings, grandparents and grandchildren from the amounts allocated by the MMA Plan to the payment of Wrongful Death Claims; and,
 - c. the reallocation of any surplus in the amounts allocated by the MMA Plan to the payment of Economic Loss Claims to the payment of Moral Damage Claims, or to the funding of an Economic Revitalization Plan for the Town of Lac-Mégantic, in recognition of systemic level economic losses resulting from the derailment, which are difficult to quantify but nonetheless real.
8. In addition, the Class Representatives wish to enhance the transparency of the process under the MM&A Plan for the assessment and payment of counsel fees.
9. As a result, the Class Representatives are concerned that the MM&A Plan will not meet with approval of the creditors at the Meeting.

10. The Class Representatives' Plan reflects the changes rejected by MM&A.
11. In the event that the MM&A Plan is not approved by the creditors, the Class Representatives seek to put the Class Representatives' Plan before the creditors for approval.
12. The Class Representatives propose that the Class Representatives' Meeting take place at the same location as the Meeting to vote on an MM&A Plan, namely at the Centre-Sportif Mégantic in the City of Lac-Mégantic, immediately following a negative vote on the MM&A Plan.
13. The Petitioners seek to put the Class Representatives' Plan before the creditors following a vote on the MM&A Plan, in the event that the MM&A Plan is not approved.
14. The Monitor should be required to include in its mailing to all known creditors and parties on the service list a copy of the Class Representatives' Plan (in English and in French), and to include in its report to creditors a document of the differences between the MM&A Plan and the Class Representatives' Plan.

FOR THESE REASONS, MAY IT PLEASE THIS HONOURABLE COURT TO:

GRANT the present Motion;

ACCEPT the filing of the Class Representatives' Plan;

ORDER the Monitor to include in its mailing to all known creditors and the service list a copy of the Class Representatives' Plan (in English and in French), and to include in its report to creditors a description of the differences between the MM&A Plan and the Class Representatives' Plan.

ISSUE the Creditors' Meeting Order with such modifications as necessary to facilitate consideration of the Class Representatives' Plan (e.g., substantially in accordance with the revised form of order appended as Exhibit R-2);

AUTHORIZE the voting on the Class Representatives' Plan by the creditors in the event that the MM&A Plan is not approved;

THE WHOLE, without costs, unless contested.

LAC-MÉGANTIC, April 14, 2015

(S) Daniel E. Larochelle

ME DANIEL E. LAROCHELLE
Attorney for the Court Appointed Representatives

MONTREAL, April 14, 2015

(S) Jeff Orenstein

CONSUMER LAW GROUP INC.
Me Jeff Orenstein
Attorneys for the Court Appointed Representatives

CANADA

SUPERIOR COURT
(Commercial Division)

PROVINCE OF QUEBEC
DISTRICT OF ST-FRANÇOIS

(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act, R.S.C.
c. C-36, as amended)

N°: 450-11-000167-134

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COMPROMISE OR ARRANGEMENT OF:

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CIE)

Debtor Company

and

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Monitor

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GUY OUELLET, SERGE JACQUES and LOUIS-
SERGES PARENT

Court Appointed
Representatives of the
Class Members-
PETITIONERS

NOTICE OF PRESENTATION

TO: SERVICE LIST

TAKE NOTICE that the present *Motion of the Court Appointed Representatives of Class Members for an Order Accepting the Filing of an Amended Plan and for Advice and Directions* will be presented for adjudication before the honourable Gaétan Dumas, j.s.c., of the district of Saint-François, on April 15, 2015, in room 1 of the Sherbrooke Courthouse, located at 375, rue King Ouest, Sherbrooke, at 10:00 a.m. or so soon as counsel may be heard.

DO GOVERN YOURSELVES ACCORDINGLY.

LAC-MÉGANTIC, April 14, 2015

(S) Daniel E. Larochelle

ME DANIEL E. LAROCHELLE
Attorney for the Court Appointed Representatives

MONTREAL, April 14, 2015

(S) Jeff Orenstein

CONSUMER LAW GROUP INC.
Me Jeff Orenstein
Attorneys for the Court Appointed Representatives

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SUPERIOR COURT
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PROVINCE OF QUEBEC
DISTRICT OF ST-FRANÇOIS

N°: 450-11-000167-134

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c. C-36, as amended)

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SERGES PARENT

Court Appointed
Representatives of the
Class Members-
PETITIONERS

LIST OF EXHIBITS
BY THE COURT APPOINTED REPRESENTATIVES OF THE CLASS MEMBERS

- R-1: Class Representatives' Plan;
- R-2: Revised form of Meeting Order;
- R-3: Plan of Compromise and Arrangement as Amended;

EXHIBIT R-1

Court File No. 450-11-000167-134

SUPERIOR COURT
(COMMERCIAL DIVISION)

SITTING AS A COURT DESIGNATED PURSUANT TO THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, R.S.C. C. C 36, AS AMENDED)

IN THE MATTER OF THE PLAN OF COMPROMISE AND ARRANGEMENT OF:

**MONTREAL, MAINE & ATLANTIC CANADA CO. (MONTREAL, MAINE & ATLANTIQUE
CANADA CIE)**

PETITIONER

AND

RICHTER ADVISORY GROUP INC. (RICHTER GROUPE CONSEIL INC.)

MONITOR

PLAN OF COMPROMISE AND ARRANGEMENT

pursuant to the *Companies' Creditors Arrangement Act*
concerning, affecting and involving

MONTREAL, MAINE & ATLANTIC CANADA CO.

AS AMENDED BY THE CLASS REPRESENTATIVES

April 13, 2015

TABLE OF CONTENTS

1.1	Defined Terms	6
1.2	Certain Rules of Interpretation	14
1.3	Currency	15
1.4	Successors and Assigns	15
1.5	Governing Law	15
1.6	Schedules	15
2.1	Purpose	16
3.1	Class of Creditors	16
3.2	Claims Procedure	17
3.3	Unaffected Claims	17
3.4	Treatment of Creditors	18
3.5	Voting Rights for Creditors	19
3.6	Interest	20
3.7	Duplicate Claims	20
4.1	Contributions to the Indemnity Fund	20
4.2	Distribution to Creditors	20
4.3	Additional Distributions to Creditors	22
4.4	Timing of Distributions to Creditors	22
4.5	Delivery of Distributions to Creditors	23
4.6	Allocation of Distributions	24
4.7	Transfer of Claims; Record Date for Distributions	24
5.1	Plan Releases and Injunctions	25
5.2	Timing of Releases and Injunctions	25
5.3	Claims against Third Party Defendants	26
6.1	Conditions Precedent to Implementation of Plan	26

6.2	Monitor’s Certificate	27
6.3	Termination of Plan for Failure to Become Effective	27
7.1	Administration Charge and Administration Charge Reserve.....	27
8.1	Binding Effect	28
8.2	Deeming Provisions.....	28
8.3	Non-Consummation.....	29
8.4	Plan Amendment	29
8.5	Severability	29
8.6	Paramountcy	30
8.7	Responsibilities of the Monitor	30
8.8	Unclaimed Distributions	30
8.9	Notices	31
8.10	Further Assurances	32
8.11	No Preference	32
8.12	No Admission	32

Schedule "A"	List of Released Parties
Schedule "B"	Settlement Agreements
Schedule "C"	Draft Canadian Approval Order
Schedule "D"	List of Existing Agreements
Schedule "E"	Distribution mechanism with respect to the Wrongful Death Claims
Schedule "F"	Distribution mechanism with respect to the Bodily Injury and Moral Damages Claims
Schedule "G"	Distribution mechanism with respect to the property and Economic Damages Claims
Schedule "H"	XL Settlement Agreement
Schedule "I"	Economic Revitalization Plan

**PLAN OF COMPROMISE AND ARRANGEMENT
(THE CAPITALIZED TERMS USED IN THIS DOCUMENT HAVE THE MEANING
ASCIBED THERETO IN SECTION 1.1 HEREOF)**

WHEREAS on July 6, 2013, a train operated by MMAC derailed in the city of Lac-Mégantic, Quebec, Canada, causing numerous fatalities, bodily injuries, psychological and moral damages to thousands of people, and extensive property and environmental damages;

WHEREAS as a result of the numerous claims against MMAC and its parent company, MMA, arising out of the Derailment, along with the ensuing operational and financial impact arising therefrom, MMAC and MMA became insolvent;

WHEREAS numerous claims arising out of the Derailment have also been made against other persons and entities, including the Released Parties in both Canada and the United States of America;

WHEREAS on August 7, 2013, MMA filed a voluntary petition in the Bankruptcy Court for relief under Chapter 11 of the U.S. Bankruptcy Code;

WHEREAS on August 8, 2013, the Honourable Justice Castonguay of the CCAA Court granted an initial order in respect of MMAC (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**");

WHEREAS on August 21, 2013, the United States Trustee appointed the Trustee having full rights and power under the Bankruptcy Code to act for and on behalf of MMA;

WHEREAS on September 4, 2013, the CCAA Court and the Bankruptcy Court adopted the Cross-Border Insolvency Protocol entered into between MMAC, the Monitor and the Trustee, the purpose of which is, *inter alia*, to facilitate the fair, open and efficient administration of the CCAA Proceeding and of the Bankruptcy Case for the benefit of the Creditors and interested parties;

WHEREAS through the concerted and coordinated efforts of MMAC, the Monitor and the Trustee, predicated on constituting an Indemnity Fund with a view to providing compensation for the Derailment Claims filed pursuant to the Claims Procedure Order, a number of Settlement Agreements have been reached with the Released Parties providing for contributions towards the Indemnity Fund;

WHEREAS the aforesaid Settlement Agreements are conditional upon obtaining for the Released Parties appropriate releases and the Injunction and Release enforceable both in Canada and the United States of America;

WHEREAS the Monitor will seek recognition and enforcement of this Plan and of the Canadian Approval Order from the Bankruptcy Court pursuant to Chapter 15 of the Bankruptcy Code;

WHEREAS the Trustee (for and on behalf of MMA) will file in the Bankruptcy Case the U.S. Plan, which will provide, among other things, for distribution of the Funds for Distribution in accordance with this Plan and the entry of the U.S. Approval Order;

NOW THEREFORE, MMAC hereby proposes this plan of compromise and arrangement pursuant to the CCAA.

ARTICLE 1 INTERPRETATION

1.1 Defined Terms

Administration Charge	has the meaning ascribed thereto in Section 7.1 hereof.
Administration Charge Reserve	has the meaning ascribed thereto in Section 7.1 hereof.
Affected Claims	any and all Claims, other than any Unaffected Claim and any Claim referred to in Section 5.3.
Approval Date	the date on which the Approval Orders become Final Orders. If the Canadian Approval Order, the Class Action Order and the U.S. Approval Order become Final Orders on different dates, the Approval Date is the latest date on which any of the Canadian Approval Order, the Class Action Order or the U.S. Approval Order becomes a Final Order.
Approval Orders	the Canadian Approval Order, the Class Action Order and the U.S. Approval Order, collectively.
Bankruptcy Case	the case styled <i>in re Montreal, Maine & Atlantic Railway Ltd., Bankr. D. Me. No. 13-10670</i> .
Bankruptcy Code	Title 11 of the United States Code.
Bankruptcy Court	United States Bankruptcy Court for the District of Maine, as presiding over the Bankruptcy Case.
Bodily Injury and Moral Damages Claims	shall have the meaning ascribed thereto in Section 3.5(b) hereof.
Business Day	a day, other than Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Montreal, Québec, Canada.
Canadian Approval Order	an Order, as set out in Schedule C hereof, entered in the CCAA Proceeding, which Order shall, among other things, (i) approve, sanction and/or confirm the Plan, (ii) approve the Settlement Agreements; (iii) authorize the Parties to undertake the settlement and the transactions contemplated by the Settlement Agreements; and (iv) provide for the Injunction and Release.
Canadian Professionals	the Monitor, Woods LLP, Gowling Lafleur Henderson LLP and the Claims Officer.

CCAA	has the meaning ascribed thereto in the recitals.
CCAA Court	Superior Court, Province of Quebec, as presiding over the CCAA Proceeding.
CCAA Filing Date	August 8, 2013.
CCAA Proceeding	<i>In the Matter of the Plan of Compromise or Arrangement of Montreal Maine & Atlantic Canada Co.</i> , Superior Court, Province of Quebec, No. 500-11-045094-139.
Chubb	Chubb & Son, a division of Federal Insurance Company, together with its parents, subsidiaries, affiliates, officers and directors, but strictly as insurer under the Chubb Policy.
Chubb Policy	That certain insurance policy bearing number 8210 2375 issued by Federal Insurance Company to Rail World, Inc. and Rail World Holdings LLC.
Claim or Claims	means, as the context requires, past, present and future claims, causes of action, obligations, rights, liens suits, judgments, orders, applications of any kind including for judicial review, remedies, interests, actions, liabilities, demands, duties, injuries, compensation, damages, expenses, fees, and/or costs of whatever kind or nature (including attorney's fees and expenses), whether foreseen or unforeseen, known or unknown, asserted or unasserted, contingent or matured, liquidated or unliquidated, whether in tort, contract, extra-contractual responsibility or otherwise, whether statutory, at common law, civil law, public law or in equity, regardless of the legal theory, including but not limited to claims for breach of contract, tort, breach of the implied covenant of good faith and fair dealing, loss of support, loss of consortium, statutory or regulatory violations, for indemnity or contribution, for any damages either moral, material, bodily injury, punitive, exemplary or extra-contractual damages of any type, in any jurisdiction (a) in any way arising out of, based upon, or relating in any way, in whole or in part, directly or indirectly, whether through a claim that was, is, may or could have been asserted in the Canadian Class Action, or a direct claim, cross-claim, third-party claim, warranty claim, recursory claim, subrogation claim, forced intervention, contribution claim, class action or otherwise, to (i) the Derailment, including but not limited to any claims for wrongful death, survival, personal injury, emotional distress, loss of support, loss of consortium, property damage, economic loss, moral damage, material damage and bodily injury, statutory and common law product and manufacturing liability, negligence, or environmental damage, remediation, exposure or any claim that would constitute any right to an equitable remedy for breach of performance even if such breach does not give rise to a right of payment and/or or exposure; (ii) the Policies; (iii) the issuance of the Policies; (iv) insurance coverage under the Policies,

reimbursement or payment under the Policies; (v) any act or omission of an insurer of any type for which a Claimant might seek relief in connection with the Policies; (vi) the Existing Agreements; or (b) that would otherwise constitute a claim as against MMA, MMAC or their Estates (i) provable in bankruptcy under the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3, had MMAC become bankrupt on August 6, 2013; and/or (ii) within the definition of “claim” set forth in section 101(5) of the Bankruptcy Code; and/or (iii) that are advanced or could have been advanced in the Canadian Class Action.

Claimant	any Person holding or potentially holding any Claim (including any transferee or assignee of a Claim) against (i) MMA, (ii) MMAC, (iii) to the extent applicable, the Estates, and/or (iv) any of the Released Parties.
Claims Bar Date	has the meaning ascribed thereto in the Claims Procedure Order.
Claims Officer	the court officer to be appointed pursuant to the Claims Resolution Order to adjudicate on the validity and quantum of any disputed Claims for the purpose of this Plan.
Claims Procedure	the procedure established for the filing of Claims in the CCAA Proceeding pursuant to the Claims Procedure Order.
Claims Procedure Order	the Amended Claims Procedure Order rendered on June 13, 2014, in the CCAA Proceeding by the CCAA Court, establishing, among other things, a claims procedure in respect of MMAC, as such Order may be amended, restated or varied from time to time.
Claims Resolution Order	an order of the CCAA Court establishing the procedure for determining the validity and quantum of any disputed Claims for the purpose of this Plan.
Class Action	the putative class action commenced on or about July 15, 2013, before the Superior Court, Province of Quebec, under court file 450-06-000001-132, including all subsequent amendments and all proceedings in this Court file, whether before or after the action is authorized to proceed as a class action.
Class Action Court	Superior Court, Province of Quebec, as presiding over the Class Action.
Class Action Order	an order, issued in the Class Action (i) confirming and declaring that the Canadian Approval Order and the U.S. Approval Order shall be binding and given full effect against parties designated and part of the Class Action, whether as a class representative, class member, named defendant/respondent or mis-en-cause, (ii) removing the allegations and conclusions against the Released Parties, and (iii) terminating the Class Action against the Released

Parties without costs.

Class Representatives	has the meaning ascribed to “Class Action Plaintiffs” and to “Class Counsel” by the CCAA Court in the Representation Order.
Cook County Actions	the civil actions transferred pursuant to 28 U.S.C. §157(b)(5) in connection with the Bankruptcy Case to the District Court, originally filed in the Cook County, Illinois state court, and appearing on the docket of the District Court as Civil Action Nos. 00113-00130NT.
Creditors	collectively all Persons having Proven Claims and “Creditor” means any one of them.
D&O Parties	Edward A. Burkhardt, Larry Parsons, Steven J. Lee, Stephen Archer, Robert C. Grindrod, Joseph R. McGonigle, Gaynor Ryan, M Donald Gardner, Jr., Fred Yocum, Yves Bourdon and James Howard, each of whom is or was a director or officer of MMA, MMAC, Montreal, Maine & Atlantic Corporation and/or LMS Acquisition Corporation.
Derailment	July 6, 2013 derailment in Lac-Mégantic, Quebec, including any and all events leading up to and related to such derailment and/or any and all consequences of such derailment, including, without limitation, the explosion, crude oil spill, fire and/or other consequences related to such derailment.
Derailment Claims	the Proof of Claims filed under Schedules 1, 2, 3, 4 and 5 pursuant to the Claims Procedure Order.
Distribution Date	the date or dates from time to time set in accordance with the provisions of the Plan to effect distributions in respect of the Proven Claims.
Effective Time	8:00 a.m. (Montreal time) on the Plan Implementation Date.
Estates	the MMA bankruptcy estate and, to the extent applicable, the MMAC estate.
Existing Agreements	The contracts between MMAC and/or MMA and some of the Released Parties, listed in Schedule D hereto.
Final Order	an order of the CCAA Court, the Class Action Court or the Bankruptcy Court that is no longer subject to further appeals, either because the time to appeal has expired without an appeal being filed, or because it has been affirmed by any and all courts with jurisdiction to consider any appeals therefrom.
Filing Date	August 8, 2013.
Funds for Distribution	the net amount of the Settlement Funds following payment to the Canadian Professionals of their CCAA Court-approved professional

fees and disbursements and of the U.S. Professionals Bankruptcy Court-approved administrative expenses, for each group of professionals respectively up to a maximum amount equal to the amount of their share of the Administration Charge Reserve.

Great American	Great American Insurance Company, together with its parents, subsidiaries, affiliates, officers and directors.
Great American Policy	that certain policy of insurance bearing number DML 9924 836 issued by Great American to MMAC.
Government Claims	has the meaning ascribed thereto in Section 3.5(e) hereof.
Hartford	The Hartford Casualty Insurance Company, together with its parents, subsidiaries, affiliates, officers and directors, but strictly as insurer under the Hartford Policy.
Hartford Policy	that certain policy of insurance bearing number 83 SBA PBO432 SA issued by Hartford to Rail World Inc.
Indemnity Claims	has the meaning ascribed thereto in Section 3.5(f) hereof.
Indemnity Fund	trust accounts into which the Settlement Funds shall be paid.
Indian Harbor	Indian Harbor Insurance Company, but strictly as insurer under the Indian Harbor Policy.
Indian Harbor Policy	insurance policy issued by Indian Harbor to MMA, bearing number RRL003723801.
Injunction and Release	an order by the CCAA Court and the Bankruptcy Court permanently and automatically releasing, enjoining and forbidding the enforcement, prosecution, continuation and/or commencement of any Claim that any Person or Claimant holds or asserts or may in the future hold or assert against any of the Released Parties or that could give rise to a Claim against the Released Parties whether through a cross-claim, third-party claim, warranty claim, recursory claim, subrogation claim, forced intervention or otherwise, arising out of, in connection with and/or in any way related to the Derailment, the Policies, MMA, and/or MMAC. The Injunction and Release order shall provide that any and all Claims against the Released Parties be permanently and automatically compromised, discharged and extinguished, that all Persons and Claimants, whether or not consensually, shall be deemed to have granted full, final, absolute, unconditional, complete and definitive releases of any and all Claims to the Released Parties and shall be permanently and forever barred, estopped, stayed and enjoined from (i) pursuing any Claim, directly or indirectly, against the Released Parties, (ii) continuing or commencing, directly or indirectly, any action or other proceeding with respect to any Claim against the Released Parties, (iii) seeking the enforcement, levy,

attachment, collection, contribution or recovery of or from any judgment, award, decree, or order against the Released Parties or property of the Released Parties with respect to any Claim, (iv) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any lien or encumbrance of any kind against the Released Parties or the property of the Released Parties with respect to any Claim, (v) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Approval Orders to the full extent permitted by applicable law, and (vi) asserting any right of setoff, compensation, subrogation, contribution, indemnity, claim or action in warranty or forced intervention, recoupment or avoidance of any kind against any obligations due to the Released Parties with respect to any Claim or asserting any right of assignment of or subrogation against any obligation due by any of the Released Parties. The Injunction and Release order shall provide that it has no effect on the rights and obligations provided by the "*Entente d'assistance financière découlant du sinistre survenu dans la ville de Lac-Mégantic*" signed on February 19, 2014 between Canada and the Province. Notwithstanding the foregoing, the "Injunction and Release" shall not extend to and shall not be construed as extending to Unaffected Claims.

Meeting	a meeting or meetings of the Creditors and Claimants to consider and vote on the Plan held pursuant to the Meeting Order and includes any meeting or meetings resulting from the adjournment thereof.
Meeting Order	an order of the CCAA Court directing the calling and holding of the Meeting.
MMA	Montreal, Maine & Atlantic Railway Ltd.
MMAC	Montreal, Maine & Atlantic Canada Co.
Monitor	Richter Advisory Group Inc. (Richter Groupe Conseil Inc.), in its capacity as Monitor in the CCAA Proceeding.
Non-Derailment Claims	has the meaning ascribed thereto in Section 3.5(g) hereof.
Person	means and includes an individual, a natural person or persons, a group of natural persons acting as individuals, a group of natural persons acting in collegial capacity (e.g., as a committee, board of directors, etc.), a corporation, partnership, limited liability company or limited partnership, a proprietorship, joint venture, trust, legal representative, or any other unincorporated association, business organization or enterprise, any government entity and any successor in interest, heir, executor, administrator, trustee, trustee in bankruptcy, or receiver of any person or entity.

Plan	This plan of compromise and arrangement in the CCAA Proceeding.
Plan Implementation Date	The Business Day on which the Monitor has filed with the CCAA Court the certificate contemplated in Section 6.2 hereof.
Plan Termination Date	January 29, 2016
Policies	the Indian Harbor Policy, the XL Policy, the Chubb Policy and the Hartford Policy
Property and Economic Damages Claims	has the meaning ascribed thereto in Section 3.5(c) hereof.
Proof of Claim	the form of Proof of Claim for Creditors as approved by the Claims Procedure Order.
Proven Claim	a Claim finally determined, settled or accepted for voting and distribution purposes in accordance with the provisions of this Plan or the Claims Resolution Order.
Province	the Attorney General for the Province of Quebec.
Rail World Parties	means (i) Rail World Holdings, LLC; (ii) Rail World, inc.; (iii) Rail World Locomotive Leasing LLC ("RWLL"); (iv) The San Luis Central R.R. Co.; (v) Pea Vine Corporation; (vi) LMS Acquisition Corporation; (vii) Earlston Associates L.P.; (viii) Montreal, Maine & Atlantic Corporation; and (ix) each of the shareholders, directors and officers or members or partners of the foregoing, to the extent they are not D&O Parties. For the avoidance of doubt, Rail World Parties also includes Edward Burkhardt, solely in his capacity as director, officer and shareholder of the Rail World Parties.
Released Parties	the Persons listed in Schedule "A" hereto.
Representation Order	the order rendered on March 28, 2014 in the CCAA Proceeding by the CCAA Court appointing, as representatives of the class members designated in the Class Action and for the purposes of the CCAA Proceeding, the Class Action Plaintiffs and the Class Counsel (as these terms are defined in said order).
Settlement Agreements	collectively, those agreements whereby Third Party Defendants undertake to make acceptable monetary contributions toward the Indemnity Fund in consideration for being included as Released Parties in the Plan. Individually referred to as a "Settlement Agreement".
Settlement Funds	the aggregate monetary contributions payable under the Settlement Agreements, including the XL Indemnity Payment and the XL Additional Payment, before potential recovery on claims assigned to MMAC and the Trustee by certain of the Released Parties, which

monetary contributions are estimated, as of the date hereof, at one hundred eighty-two million three hundred thousand Canadian dollars (CAD\$182,300,000.00) plus eighty-nine million four hundred thousand US dollars (US\$89,400,000.00).

Subrogated Insurer Claims	has the meaning ascribed thereto in Section 3.5(d) hereof.
Third Party Defendants	any Person with a risk of liability arising out of or related to the Derailment, including, without limitation, the defendants to the Class Action and the Cook County Actions.
Trustee	Robert J. Keach, in his capacity as chapter 11 Trustee appointed in the Bankruptcy Case, or such other Person(s) as may be approved by the Bankruptcy Court in the future to serve in such capacity in the Bankruptcy Case.
Unaffected Claims	has the meaning given to that term in Section 3.3 hereof.
U.S. Approval Order	(i) an Order entered in the Bankruptcy Case sanctioning, approving and/or confirming the U.S. Plan or (ii) an order entered in the Bankruptcy Case pursuant to the applicable sections of chapter 15 of the Bankruptcy Code, which order sanctions, recognizes and enforces the terms of the Canadian Approval Order. In either case, a "U.S. Approval Order" must, among other things, (a) approve the Settlement Agreements; (b) authorize the parties to undertake the settlement and the transactions contemplated by the Settlement Agreements; and (c) order the Injunction and Release.
U.S. Plan	the plan of liquidation, to be filed by the Trustee (for and on behalf of MMA) in the Bankruptcy Case, which shall provide, among other things, for the distribution of the Funds for Distribution in accordance with this Plan, the Canadian Approval Order and U.S. Approval Order.
U.S. Professionals	the Trustee, the Trustee's professionals and Paul Hastings LLP as counsel for the Official Committee of Victims as defined in the order authorizing the appointment of a victims' committee entered in the Bankruptcy Case on October 18, 2013.
XL Companies	Indian Harbor and XL Insurance.
XL Additional Payment	USD \$5 million.
XL Indemnity Payment	CAD \$25 million.
XL Insurance	the Canadian Branch of XL Insurance Company SE (formerly XL Insurance Company Limited) but strictly as insurer under the XL Policy.

XL Policy	insurance policy issued by XL Insurance, bearing number RLC003808301.
XL Settlement Agreement	the agreement executed among the XL Companies, MMAC and the Trustee providing for the payment of the XL Indemnity Payment and the XL Additional Payment, which shall constitute a Settlement Agreement within the meaning of Section 1.1.
Website	the website maintained by the Monitor in respect of the CCAA Proceedings pursuant to the Initial Order at the following web address: http://www.richter.ca/en/insolvency-cases/m/montreal-maine-and-atlantic-canada-co .
Wrongful Death Claims	has the meaning ascribed thereto in Section 3.5(a) hereof.
Wrongful Death Victims	the spouse or common law partner, child, parent, and sibling of the persons deceased as a result of the Derailment.

1.2 Certain Rules of Interpretation

For the purposes of this Plan:

- (a) any reference in the Plan to an Order, agreement, contract, instrument, release, exhibit or other document means such Order, agreement, contract, instrument, release, exhibit or other document as it may have been or may be validly amended, modified or supplemented;
- (b) the division of the Plan into "articles" and "sections" and the insertion of a table of contents are for convenience of reference only and do not affect the construction or interpretation of the Plan, nor are the descriptive headings of "articles" and "sections" intended as complete or accurate descriptions of the content thereof;
- (c) unless the context otherwise requires, words importing the singular shall include the plural and *vice versa*, and words importing any gender shall include all genders;
- (d) the words "includes" and "including" and similar terms of inclusion shall not, unless expressly modified by the words "only" or "solely", be construed as terms of limitation, but rather shall mean "includes but is not limited to" and "including but not limited to", so that references to included matters shall be regarded as illustrative without being either characterizing or exhaustive;
- (e) unless otherwise specified, all references to time herein and in any document issued pursuant hereto mean local time in Montréal, Québec and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. (Montréal time) on such Business Day;
- (f) unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by

extending the period to the next succeeding Business Day if the last day of the period is not a Business Day;

- (g) unless otherwise provided, any reference to a statute or other enactment of parliament or a legislature includes all regulations made thereunder, all amendments to or re-enactments of such statute or regulations in force from time to time, and, if applicable, any statute or regulation that supplements or supersedes such statute or regulation; and
- (h) references to a specified "article" or "section" shall, unless something in 'the subject matter or context is inconsistent therewith, be construed as references to that specified article or section of the Plan, whereas the terms "the Plan", "hereof", "herein", "hereto", "hereunder" and similar expressions shall be deemed to refer generally to the Plan and not to any particular "article", "section" or other portion of the Plan and include any documents supplemental hereto.

1.3 Currency

Any Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada noon exchange rate on the Filing Date.

1.4 Successors and Assigns

The Plan shall be binding upon and shall inure to the benefit of the heirs, administrators, executors, legal personal representatives, successors and assigns of any Person named or referred to in the Plan.

1.5 Governing Law

The Plan shall be governed by and construed in accordance with the laws of the Province of Québec and the federal laws of Canada applicable therein. All questions as to the interpretation or application of the Plan and all proceedings taken in connection with the Plan and its provisions shall be subject to the jurisdiction of the CCAA Court.

1.6 Schedules

The following Schedules to the Plan are incorporated by reference into the Plan and form part of the Plan:

Schedule "A"	List of Released Parties
Schedule "B"	Settlement Agreements
Schedule "C"	Draft Canadian Approval Order
Schedule "D"	List of Existing Agreements
Schedule "E"	Distribution mechanism with respect to the Wrongful Death Claims

Schedule "F"	Distribution mechanism with respect to the Bodily Injury and Moral Damages Claims
Schedule "G"	Distribution mechanism with respect to the Property and Economic Damages Claims
Schedule "H"	XL Settlement Agreement
Schedule "I"	Economic Revitalization Plan

The Settlement Agreements, save and except for the XL Settlement Agreement, shall not be attached to the copy of the Plan served on the interested parties and filed publicly with the CCAA Court or the Bankruptcy Court, and MMAC shall apply to the CCAA Court and Bankruptcy Court to have Schedule "B" filed on a sealed and confidential basis. The Settlement Agreements, save and except for the XL Settlement Agreement, shall not otherwise be made public in order to preserve the confidentiality of the settlements and terms therein.

ARTICLE 2 PURPOSE AND EFFECT OF THE PLAN

2.1 Purpose

The purpose of the Plan is:

- (a) to effect a full, final and irrevocable compromise, release, discharge, cancellation and bar of all Affected Claims against the Released Parties;
- (b) to effect the distribution of the Funds for Distribution and payment of the Proven Claims as set forth in Sections 4.2 and 4.3;

The Plan is put forward in the expectation that the Creditors, when considered as a whole, will derive a greater benefit from the implementation of the Plan than they would in the event of a bankruptcy of MMAC.

ARTICLE 3 CLASSIFICATION, VOTING AND RELATED MATTERS

3.1 Class of Creditors

The Creditors shall constitute a single class for the purposes of considering and voting on this Plan.

3.2 Claims Procedure

Creditors shall prove their respective claims, vote in respect of this Plan, and receive the distributions provided for under and pursuant to this Plan in accordance with the Claims Procedure Order, the Claims Resolution Order, the Meeting Order and this Plan. Any Person having a Claim that is not a Proven Claim is bound by such Orders, including that of being precluded from receiving a distribution under this Plan, and is forever barred and estopped from asserting such Claim against the Released Parties.

3.3 Unaffected Claims

Notwithstanding anything to the contrary herein, this Plan does not compromise, release, discharge, cancel, bar or otherwise affect:

- (a) the rights or claims of the Canadian Professionals and the U.S. Professionals for fees and disbursements incurred or to be incurred for services rendered in connection with or relating to the CCAA Proceeding or the Bankruptcy Case, including the implementation of this Plan and the U.S. Plan.
- (b) to the extent that there is, or may be, coverage for such Claims under any policy of insurance issued by Great American or any affiliate, including, without limitation, the Great American Policy, and only to the extent such coverage is actually provided, which coverage shall be assigned to the Trustee and MMAC and without any obligation on the part of the Rail World Parties or the D&O Parties to make any payment or contribution to supplement what is actually obtained by the Trustee or MMAC from such insurance policy (i) claims by MMAC or the Trustee (and only the Trustee, MMAC, their designee, or, to the extent applicable, the Estates) against the Rail World Parties and/or the D&O Parties; and (ii) claims by the holders of Wrongful Death Claims against Rail World, Inc., provided further, that any right or recovery by such holders of any right or recovery by such holders of Wrongful Death Claims pursuant to the action authorized by this subparagraph shall be, in all respects, subordinate to the claims of the Trustee and MMAC, and their successors under the Plan, in the above policies and (iii) claims by MMAC or the Trustee against the D&O Parties for any alleged breach of fiduciary duty or any similar claim based upon the D&O parties' authorization for payments to holders of notes and warrants issued pursuant to that certain Note and Warrant Purchase Agreement dated January 8, 2003 between MMA and certain noteholders (as amended from time to time) to the extent such payments arise from the sale of certain assets of MMA to the State of Maine.
- (c) claims by MMAC and the Trustee under applicable bankruptcy and non bankruptcy law to avoid and/or recover transfers from MMA, MMAC or MMA Corporation to the holders of notes and warrants issued pursuant to that certain Note and Warrant Purchase Agreement dated as of January 8, 2003 between MMA and certain noteholders (as amended from time to time) to the extent such payments arise from the distribution of proceeds from the sale of certain assets of MMA to the State of Maine.
- (d) claims or causes of action of any Person, including MMAC, MMA and the Released Parties (subject to the limitations contained in their respective

Settlement Agreements), against third parties other than any of the Released Parties (subject to paragraph 3.3(e)).

- (e) claims or other rights preserved by any one of the Released Parties as set forth in Schedule A.
- (f) MMAC's obligations under the Plan, the Settlement Agreements, and the Approval Orders;
- (g) Claims against MMAC, except any Claims of the Released Parties other than Canada. However, subject to the Approval Orders becoming Final Orders, the Attorney General of Canada (i) has undertaken to irrevocably withdraw the Proof of Claim filed on behalf of Department of Transport Canada and the Proof of Claim filed on behalf of the Department of Public Safety and Emergency Preparedness, (ii) has agreed to the reallocation in favor of the Creditors of any and all dividends payable pursuant to this Plan or the U.S. Plan on the Proof of Claim filed on behalf of Canada Economic Development for Quebec Regions, as set forth in Section 4.3, and (iii) has agreed not to file any additional Proof of Claim under the CCAA Proceeding or the Bankruptcy Case;
- (h) any liability or obligation of and claim against the Third Party Defendants, insofar as they are not Released Parties, of whatever nature for or in connection with the Derailment, including but not limited to the Class Action and the Cook County Actions;
- (i) any Person for fraud or criminal and quasi-criminal charges filed or that may be filed and, for greater certainty, for any fine or penalty arising from any such charges;
- (j) any claims that any of the Rail World Parties and the D&O Parties may have to seek recovery from any of their insurers for any attorneys' fees, expenses and costs they have incurred prior to the Approval Date.
- (k) claims that fall under Section 5.1(2) of the CCAA.

All of the foregoing rights and claims set out in this Section 3.3, inclusive, are collectively referred to as the **"Unaffected Claims"** and any one of them is an **"Unaffected Claim"**.

3.4 Treatment of Creditors

The Creditors shall receive the treatment provided for in this Plan on account of their Claims and, on the Plan Implementation Date, the Affected Claims will be compromised, released and otherwise extinguished against the Released Parties in accordance with the terms of this Plan.

3.5 Voting Rights for Creditors

Subject to this Plan, the Claims Procedure Order, the Claims Resolution Order and the Meeting Order, each Creditor shall be entitled to vote and for voting purposes each of such Claims shall be valued at an amount that is equal to the Creditor's Proven Claim, the whole subject to the following:

- (a) the aggregate of the votes of all Wrongful Death Victims having a Proven Claim for damages resulting from the death of a person as a consequence of the Derailment (for greater certainty, those Claims that fall under Schedule 1 of the Proof of Claim and were recognized as such or that were filed in the Bankruptcy Case) (collectively, the **"Wrongful Death Claims"** and, individually, a **"Wrongful Death Claim"**) shall represent no more than 22.2% in value of all votes cast by Creditors;
- (b) the aggregate of the votes of all Creditors having a Proven Claim relating to the Derailment for damages resulting from bodily injuries suffered by themselves or another person and, without limitation, all claims for moral damages (for greater certainty, those Claims that fall under Schedules 2 and 3(a) of the Proof of Claim and were recognized as such or determined to be Bodily Injury and Moral Damages Claims or that were filed in the Bankruptcy Case) (collectively, the **"Bodily Injury and Moral Damages Claims"** and, individually, a **"Bodily Injury and Moral Damages Claim"**) shall represent no more than 11.1% in value of all votes cast by Creditors;
- (c) the aggregate of the votes of all Creditors having a Proven Claim relating to the Derailment for damages suffered by an individual or a business not resulting from bodily injuries or death of a person (for greater certainty, those Claims that fall under Schedules 3(a) and 3(b) of the Proof of Claim and were recognized as such or that were filed in the Bankruptcy Case) (collectively, the **"Property and Economic Damages Claims"** and, individually, a **"Property and Economic Damages Claim"**) shall represent no more than 8.3% in value of all votes cast by Creditors;
- (d) the aggregate of the votes of all Creditors having a Proven Claim in their capacity as subrogated insurers for claims directly resulting from the Derailment (for greater certainty, those Claims that fall under Schedule 4 of the Proof of Claim and were recognized as such) (collectively, the **"Subrogated Insurer Claims"** and, individually, a **"Subrogated Insurer Claim"**) shall represent no more than 3.8% in value of all votes cast by Creditors;
- (e) the aggregate of the votes of all government entities or municipalities having a Proven Claim relating to the Derailment (for greater certainty, those claims that fall under Schedule 5 of the Proof of Claim and were recognized as such) (collectively, the **"Government Claims"** and, individually, a **"Government Claim"**) shall represent no more than 48.5% in value of all votes cast by Creditors;
- (f) Creditors having a Proven Claim relating to the Derailment for contribution or indemnity (for greater certainty, those claims that fall under Schedule 6 of the Proof of Claim and were recognized as such) (collectively, the **"Indemnity**

Claims" and, individually, an **"Indemnity Claim"**) shall represent 0% in value of all votes cast by Creditors.

- (g) Creditors having filed a Proof of Claim for damages unrelated to the Derailment (for greater certainty, those claims that fall under Schedule 7 of the Proof of Claim and were recognized as such) (collectively, the **"Non-Derailment Claims"** and, individually, a **"Non-Derailment Claim"**) shall represent no more than 6.1% in value of all votes cast by Creditors.

3.6 Interest

Interest shall not accrue or be paid on any Claim from and after the Filing Date.

3.7 Duplicate Claims

A Creditor who has a Claim against more than one of MMAC, MMA or the Released Parties or has filed or is deemed to have filed claims both in the Bankruptcy Case and the CCAA Proceeding, in respect of the same debt or obligation, shall only be entitled to assert one Claim in respect of such debt or obligation, and any duplicate Claim filed by such Creditor will be disallowed for voting and distribution purposes under this Plan and the U.S. Plan so that only a single Claim remains under which said Creditors can exercise distribution rights.

ARTICLE 4 DISTRIBUTIONS

4.1 Contributions to the Indemnity Fund

Each of the Released Parties shall deliver to the Monitor the monies necessary to fully fund that amount of the Indemnity Fund which it is obligated to pay pursuant to the Settlement Agreements within such delay as has been agreed to pursuant to the Settlement Agreements and in any event within no more than 30 days after they have received written notice from the Monitor and the Trustee certifying that the Approval Orders become Final Orders, and such monies shall be held by the Monitor in trust in one or more interest bearing accounts and distributed by the Monitor in accordance with the terms of this Plan. Should this Plan be terminated for any reason in accordance with Section 6.3 or 8.3, such monies shall be returned by the Monitor, with any interest earned thereon, forthwith to the respective parties having contributed such monies. For greater certainty, any contributions to the Indemnity Fund received by the Monitor that are in U.S. Dollars shall be held by the Monitor in trust in U.S. Dollars and converted into Canadian Dollars on the Plan Implementation Date (save and except the portion to be remitted to the Trustee pursuant to Section 4.2(a)) and any contributions to the Indemnity Fund received by the Monitor that are in Canadian Dollars shall be held by the Monitor in trust in Canadian Dollars and not converted into U.S. Dollars.

4.2 Distribution to Creditors

The following Creditors having Proven Claims shall be entitled to distribution under this Plan as follows:

- (a) Creditors having Wrongful Death Claims shall, in the aggregate, receive 24.1% of

the Funds for Distribution in full and final satisfaction of their Proven Claims as against the Released Parties. This amount will be remitted by the Monitor to the Trustee to fund a trust dedicated to the distribution to the Creditors having Wrongful Death Claims in accordance with the mechanism set forth in Schedule E hereto.

- (b) Creditors having Bodily Injury and Moral Damages Claims shall, in the aggregate, receive 10.4% of the Funds for Distribution in full and final satisfaction of their Proven Claims as against the Released Parties. This amount will be distributed by the Monitor in accordance with the mechanism set forth in Schedule F hereto.
- (c) Creditors having Property and Economic Damages Claims shall, in the aggregate, receive 9.0% of the Funds for Distribution in full and final satisfaction of their Proven Claims as against the Released Parties. This amount will be distributed by the Monitor in accordance with the mechanism set forth in Schedule G hereto.
- (d) Creditors having Subrogated Insurer Claims shall, in the aggregate, receive 4.1% of the Funds for Distribution in full and final satisfaction of their Proven Claims as against the Released Parties. This amount will be distributed by the Monitor on a *pro rata* basis amongst the Creditors having Subrogated Insurer Claims.
- (e) Creditors having Government Claims shall, in the aggregate, receive 52.4% of the Funds for Distribution in full and final satisfaction of their Proven Claims as against the Released Parties. This amount will be distributed by the Monitor on a *pro rata* basis amongst the Province, the City of Lac-Mégantic, the Attorney General of Canada (on behalf of Canada Economic Development for Quebec Regions) and the Commission de la Santé et de la Sécurité au Travail (CSST). For the purpose of this Plan, the Proven Claims of the Province, the City of Lac-Mégantic, the Federal Government of Canada (Economic Development of Canada, Quebec Regions) and the Commission de la Santé et de la Sécurité au Travail (CSST) are evaluated and established as follows:
 - (i) Province: CAD\$409,313,000 (or 94% of the Government Claims)
 - (ii) The City of Lac-Mégantic: CAD\$5,000,000 (or 1.1% of the Government Claims)
 - (iii) The Attorney General of Canada (on behalf of Canada Economic Development for Quebec Regions): CAD\$21,000,000 (or 4.8% of the Government Claims)
 - (iv) CSST: CAD\$313,775 (or 0.1% of the Government Claims)

For greater certainty, Creditors having Indemnity Claims and Non-Derailment Claims shall not be entitled to distribution under this Plan or the U.S. Plan in relation to the Indemnity Fund and shall have no right to any portion of the Funds for Distribution. However, the Creditors having Non-Derailment Claims against MMAC will be entitled to distribution under the U.S. Plan, in accordance with its terms from any available net proceeds of the liquidation of MMA's assets.

Notwithstanding the foregoing, in the event that, following the review of the Property and Economic Damages Claims pursuant to the Claims Resolution Order, the aggregate value of the Property and Economic Damages Claims is reduced below \$75 million, the difference between the amount of \$75 million and the revised aggregate value of these claims will be allocated to the value of the claims in the category described in Section 4.2 (b), or, in the discretion of the Class Representatives, used to fund an economic revitalization plan substantially in accordance with Schedule I hereto.

4.3 Additional Distributions to Creditors

Any and all amounts payable pursuant to this Plan:

- (a) to the Province out of the XL Indemnity Payment (estimated at CAD\$13,735,000);
- (b) to the Attorney General of Canada (on behalf of Canada Economic Development for Quebec Regions) (estimated at CAD\$6,936,000);

(collectively, the “**Reallocated Dividends**”)

will be distributed to the Creditors having Proven Claims in respect of (i) Wrongful Death Claims, (ii) Bodily Injury and Moral Damages Claims and (iii) Property and Economic Damages Claims in accordance with the percentages set forth in subsection 4.2 (a), (b) and (c) hereof, namely:

- (i) 53.3% of the Reallocated Dividends will be distributed to the Creditors having Wrongful Death Claims;
- (ii) 26.7% of the Reallocated Dividends will be distributed to Creditors having Bodily Injury and Moral Damages Claims; and
- (iii) 20.0% of the Reallocated Dividends will be distributed to Creditors having Property and Economic Damages Claims.

4.4 Timing of Distributions to Creditors

The Monitor shall hold the Settlement Funds in trust pending distribution thereof in accordance with the terms of this Plan and the Settlement Agreements, as applicable. Within 45 calendar days following the Plan Implementation Date, and receipt by the Monitor of any applicable tax ruling or clearance certificate, the Monitor shall make distributions to or on behalf of Creditors (including, without limitation, to the Trustee in accordance with Section 4.2(a) or to the Creditors' Representative Counsel in accordance with Section 4.5, to be held by such Representative Counsel in trust for such Creditors) in accordance with the terms of this Plan.

4.5 Delivery of Distributions to Creditors

Distributions to Creditors shall be made in accordance with the terms of this Plan, as applicable, by the Monitor: (A) at the addresses set forth in the Proofs of Claim filed by such Creditors in accordance with the Claims Procedure Order; (B) if applicable, at the addresses set forth in any written notices of address change delivered to the Monitor after the date on which any corresponding proof of claim was filed, provided such notice is received by the Monitor at least five (5) Business Days prior to the Plan Implementation Date; or (C) if applicable, and to the extent differing from the foregoing, at the address of such Creditors' respective legal representatives (the "**Representative Counsel**"), in trust for such Creditors, subject to the receipt by the Monitor at least five (5) business days prior to the Plan Implementation Date of a written instruction to that effect from said Creditors, it being understood that the class members in the Class Action, to the extent they have not sent an Opt-Out Notice (as these terms are defined in the Representation Order) within the prescribed delay, shall be deemed represented by the Class Counsel (as these terms are defined in the Representation Order) and said Class Counsel shall be considered as Representative Counsel duly authorized to receive the above-mentioned distribution in trust for all such class members. For greater certainty, and without limiting the foregoing:

- (i) With respect to the distributions to be made under this Plan to Representative Counsel, any disputes among the Creditors they represent and Representative Counsel with respect to the timing, allocation, quantum or other terms of the payment of the monies in question by Representative Counsel to and among those Creditors shall have no bearing or effect on the releases set out in the Settlement Agreements or this Plan, including, without limitation, the releases and injunctions in favour of the Released Parties (whether pursuant to the Settlement Agreements, the Plan, the U.S. Plan, the Approval Orders, or otherwise); and
- (ii) this Plan shall be effective and binding as and when set out in Section 6.2, and the fact that one or more of the Representative Counsel may be required or elect to commence or pursue further steps or proceedings or to otherwise resolve additional matters, issues or things subsequent to the Plan Implementation Date in order to be lawfully entitled to make distributions to the Creditors they represent (including, without limitation, obtaining the approval by any Court of the payment of their respective professional fees and disbursements from the distributions in question) shall have no bearing or effect on the Settlement Agreements, this Plan, the U.S. Plan, or the Approval Orders, irrespective of the timing and outcome of such further steps and proceedings.

4.6 Allocation of Distributions

All distributions made to Creditors in respect of Proven Claims pursuant to this Plan shall be applied first in payment of the outstanding principal amount of the Proven Claim and only after the principal portion of any such Proven Claim is satisfied in full, to any portion of such Proven Claim comprising accrued and unpaid interest (but solely to the extent that interest is an allowable portion of such Proven Claim pursuant to this Plan or otherwise). In the event that the principal amount of all Proven Claims has been paid in full, each Creditor shall, at the request of the Monitor, be responsible for providing a representation and warranty with respect to its residency for purposes of the *Income Tax Act* (Canada). If any Creditor fails to provide satisfactory evidence that it is a resident of Canada for purposes of the *Income Tax Act* (Canada), then the Monitor shall have the right to:

- (i) assume and otherwise consider such Creditor to be a non-resident of Canada for the purposes of the *Income Tax Act* (Canada); and
- (ii) withhold any non-resident withholding tax that would be imposed under the *Income Tax Act* (Canada) based on such assumption from any amounts payable to such Creditor under this Plan,

until such time as such Creditor provides satisfactory evidence to the contrary to the Monitor, unless the non-resident withholding tax has already been remitted to the Canada Revenue Agency. For greater certainty, the distributions to be made pursuant to this Plan to Creditors having Proven Claims do not include, and are not intended to include, any amounts on account of interest on such Claims.

4.7 Transfer of Claims; Record Date for Distributions

Claims may be sold, transferred or assigned at any time by the holder thereof, whether prior or subsequent to the Plan Implementation Date, provided that:

- (i) Neither MMAC nor the Monitor shall be obligated to deal with or to recognize the purchaser, transferee or assignee of the Claim as the Creditor in respect thereof unless and until written notice of the sale, transfer or assignment is provided to the Monitor, such notice to be in form and substance satisfactory to the Monitor, acting reasonably within five (5) Business Days prior to the Plan Implementation Date
- (ii) only holders of record of Claims as at the date of the Meeting Order shall be entitled to attend, vote or otherwise participate at such meeting of Creditors; provided, however, that: (A) for the purposes of determining whether this Plan has been approved by a majority in number of the Creditors only the vote of the transferor or the transferee, whichever holds the highest dollar value of such Claims will be counted, and, if such value shall be equal, only the vote of the transferee will be counted; and (B) if a Claim has been transferred to more than one transferee, for purposes of determining whether this Plan has been approved by a majority in number of the Creditors, only the vote of the transferee with the highest value of such Claim will be counted; and

- (iii) only holders of record of Claims as at five (5) Business Days prior to the Plan Implementation Date shall have the right to participate in the corresponding distribution provided for under Section 4.2 of this Plan.

ARTICLE 5 RELEASES AND INJUNCTIONS

5.1 Plan Releases and Injunctions

All Affected Claims shall be fully, finally, absolutely, unconditionally, completely, irrevocably and forever compromised, remised, released, discharged, cancelled and barred on the Plan Implementation Date as against the Released Parties.

All Persons (regardless of whether or not such Persons are Creditors or Claimants) shall be permanently and forever barred, estopped, stayed and enjoined from (i) pursuing any Claim, directly or indirectly, against the Released Parties, (ii) continuing or commencing, directly or indirectly, any action or other proceeding with respect to any Claim against the Released Parties, or with respect to any claim that could give rise to a Claim against the Released Parties whether through a cross-claim, third-party claim, warranty claim, recursory claim, subrogation claim, forced intervention or otherwise, (iii) seeking the enforcement, levy, attachment, collection, contribution or recovery of or from any judgment, award, decree, or order against the Released Parties or property of the Released Parties with respect to any Claim, (iv) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any lien or encumbrance of any kind against the Released Parties or the property of the Released Parties with respect to any Claim, (v) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Approval Orders to the full extent permitted by applicable law, (vi) asserting any right of setoff, compensation, subrogation, contribution, indemnity, claim or action in warranty or forced intervention, recoupment or avoidance of any kind against any obligations due to the Released Parties with respect to any Claim or asserting any right of assignment of or subrogation against any obligation due by any of the Released Parties with respect to any Claim, and (vii) taking any actions to interfere with the Implementation or consummation of this Plan; provided, however, that the foregoing shall not apply to the enforcement of any obligations under the Plan.

Notwithstanding the foregoing, the Plan Releases and Injunctions as provided in this Section 5.1 (i) shall have no effect on the rights and obligations provided by the "*Entente d'assistance financière découlant du sinistre survenu dans la ville de Lac-Mégantic*" signed on February 19, 2014 between Canada and the Province, (ii) shall not extend to and shall not be construed as extending to any Unaffected Claims.

5.2 Timing of Releases and Injunctions

All releases and injunctions set forth in this Article 5 shall become effective on the Plan Implementation Date at the Effective Time.

5.3 Claims against Third Party Defendants

Any Claim of any Person, including MMAC and MMA, against the Third Party Defendants that are not also Released Parties: (a) is unaffected by this Plan; (b) is not discharged, released, cancelled or barred pursuant to this Plan; (c) shall be permitted to continue as against said Third Party Defendants; (d) shall not be limited or restricted by this Plan in any manner as to quantum to the extent that there is no double recovery as a result of the indemnification received by the Creditors or Claimants pursuant to this Plan; and (e) does not constitute an Affected Claim under this Plan. For greater certainty, and notwithstanding anything else contained herein, in the event that a Claim is asserted by any Person, including MMAC and MMA, against any Third Party Defendants that are not also Released Parties any and all right(s) of such Third Party Defendants to claim over, claim against or otherwise assert or pursue any rights or any Claim against any of the Released Parties at any time, shall be released and discharged and forever barred pursuant to the terms of this Plan and the Approval Orders.

ARTICLE 6 CONDITIONS PRECEDENT AND IMPLEMENTATION

6.1 Conditions Precedent to Implementation of Plan

The implementation of this Plan shall be conditional upon the fulfillment, or waiver (strictly with respect to Sections 6.1(e) and (f)), of the following conditions on or before the Plan Implementation Date:

(a) Entry of the Canadian Approval Order

The Canadian Approval shall have been granted by the CCAA Court, including the granting by the CCAA Court of its approval of the compromises, releases and injunctions contained in and effected by this Plan.

(b) Confirmation by the Trustee of the entry of the U.S. Approval Order

The Trustee shall have confirmed in writing to the Monitor that the U.S. Approval Order has been granted by the Bankruptcy Court, including the granting by the Bankruptcy Court of its approval of the compromises, releases and injunctions contained in and effected by this Plan.

(c) Entry of the Class Action Order

The Class Action Order shall have been granted by the Superior Court, Province of Quebec.

(d) Expiry of Appeal Periods

The Canadian Approval Order and the Class Action Order shall have become Final Orders and the Trustee shall have confirmed in writing to the Monitor that the U.S. Approval Order has become a Final Order.

(e) Contributions

Each of the Released Parties shall have paid to the Monitor the amounts payable by it pursuant to its Settlement Agreement, in accordance with the terms of the Settlement Agreements.

(f) Completion of Necessary Documentation

MMAC, the Monitor and the Trustee, as applicable, shall have obtained the execution and delivery by all relevant Persons of all agreements, settlements, resolutions, indentures, releases, documents and other instruments that are necessary to be executed and delivered to implement and give effect to all material terms and provisions of this Plan and the Settlement Agreements.

6.2 Monitor's Certificate

Upon the satisfaction of the conditions set out in Section 6.1 hereof, the Monitor shall file with the CCAA Court in the CCAA Proceeding and with the Trustee a certificate that states that all conditions precedent set out in Section 6.1 of this Plan have been satisfied and that the Plan Implementation Date has occurred.

6.3 Termination of Plan for Failure to Become Effective

If the Plan Implementation Date shall not have occurred on or before the Plan Termination Date, then, subject to further Order of the CCAA Court and the Bankruptcy Court, as applicable, this Plan shall automatically terminate and be of no further force or effect; provided that this Plan shall not automatically terminate pursuant to this section if the sole basis for the non-occurrence of the Plan Implementation Date is the pendency of any appeal or application for leave to appeal with respect to the Approval Orders.

ARTICLE 7 ADMINISTRATION CHARGE AND OTHER PROFESSIONAL FEES

7.1 Administration Charge and Administration Charge Reserve

The Settlement Funds, to the exclusion of the XL Indemnity Payment, up to a maximum of CAD\$20 million, plus any applicable sales taxes for the Canadian Professionals (the "**Administration Charge Reserve**"), shall upon the Effective Time on the Plan Implementation Date be subject to an administration charge in favour of the Canadian Professionals and shall constitute a carveout in favour of the U.S. Professionals in order to secure the payment of the fees, disbursements and entitlements owed or to be owed to them for the services rendered by them in connection with or relating to the CCAA Proceeding and the Bankruptcy Case (the "**Administration Charge**"). 60% of the Administration Charge Reserve shall be for the benefit of the Canadian Professionals and 40% shall be for the benefit of the U.S. Professionals. These funds shall be distributed to the Canadian Professionals pursuant to an order of the CCAA Court and to the U.S. Professionals pursuant to an order of the Bankruptcy Court. The Administration Charge shall rank in priority to any and all other hypothecs, mortgages, liens, security interests, priorities, charges, encumbrances, security or rights of whatever nature or kind or deemed trusts affecting the Settlement Funds, if any. The Administration Charge and the Administration Charge Reserve are established on the basis of incurred fees and

disbursements as well as on an estimate of fees, disbursements and entitlements for which the Canadian Professionals and the U.S. Professionals could seek Court approval and are based on the Settlement Funds as presently constituted. The balance of the Administration Charge Reserve, if any, after payment of all fees, disbursements and entitlements of the Canadian Professionals and U.S. Professionals, shall form part of the Indemnity Fund, for distribution in accordance with the Plan.

7.2 Other Professional Fees

In addition to the Administration Charge and the Administration Charge Reserve, the distribution of Settlement Funds further to sub-sections 4.2(a), (b) and (c), whether paid directly to a Creditor or to the Trustee for funding of the trust contemplated by sub-section 4.2(a), shall be subject to the prior payment of the fees of counsel to the Creditor(s) (including, without limitation, any counsel to the Class Representatives and in respect of the Cook County Actions), out of said distribution, in the amount assessed by the CCAA Court having regard to the usual principles applied to the assessment of the fees of counsel (including, without limitation, the terms of any retainer agreements, the recovery for the Creditor(s), the risks undertaken, and the contribution to the case and any settlements), and counsel's entitlement to the Settlement Funds or to payment or compensation in respect of the Settlements Funds shall be limited to the amount so assessed and all claims over and above such amount are hereby released.

ARTICLE 8 GENERAL

8.1 Binding Effect

On the Plan Implementation Date:

- (a) the Plan will become effective at the Effective Time;
- (b) the Plan shall be final and binding in accordance with its terms for all purposes on all Persons named or referred to in, or subject to the Plan and their respective heirs, executors, administrators and other legal representatives, successors and assigns; and
- (c) each Person named or referred to in, or subject to, the Plan will be deemed to have consented and agreed to all of the provisions of the Plan, in its entirety and shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out the Plan in its entirety.

8.2 Deeming Provisions

In the Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

8.3 Non-Consummation

If the Approval Orders are not issued or if the Plan Implementation Date does not occur before the Plan Termination Date, (a) the Plan shall be null and void in all respects, (b) any settlement or compromise embodied in the Plan or any Settlement Agreement, including the fixing or limiting to an amount certain any Claim, and any document or agreement executed pursuant to the Plan shall be deemed null and void, and (c) nothing contained in the Plan, and no acts taken in preparation for consummation of the Plan, shall (i) constitute or be deemed to constitute a waiver or release of any Claims by or against the Released Parties or any other Person; (ii) prejudice in any manner the rights of the Released Parties or any other Person in any further proceedings involving MMAC and/or the Derailment; or (iii) constitute an admission of any sort by the Released Parties or any other Person.

8.4 Plan Amendment

MMAC reserves the right, at any time prior to the Plan Implementation Date, to amend, modify and/or supplement this Plan with the consent of the Class Representatives, provided that:

- (i) any amendment, modification or supplement to Articles 5 and 6 (including any defined terms contained therein) as well as any amendment, modification or supplement made to any other Article which affects the rights of Released Parties under their respective Settlement Agreement(s), may be made only with the written consent of the Released Parties or the affected Released Party, as the case may be, which can be provided at their sole discretion.
- (ii) any such amendment, modification or supplement must be contained in a written document that is filed with the CCAA Court, and must be discussed in advance with, and not objected to by the Released Parties and, if made following the Meeting, must be communicated to such of the Creditors and in such manner, if any, as may be ordered by the CCAA Court;
- (iii) any amendment, modification or supplement may be made unilaterally by MMAC following the Approval Orders, provided that it concerns a matter which, in the opinion of MMAC and the Monitor, acting reasonably, is of an administrative nature required to better give effect to the implementation of this Plan and to the Approval Orders and is not adverse to the financial or economic interests of the Creditors or the Released Parties; and
- (iv) any supplementary plan or plans of compromise or arrangement filed with the CCAA Court by MMAC and, if required by this Section 8.4, approved by the CCAA Court shall, for all purposes, be and be deemed to be a part of and incorporated in this Plan.

8.5 Severability

In the event that any provision in this Plan (other than Articles 5 and 6 and all defined

terms contained therein or any other provision herein that would materially adversely affect the rights of any of the Released Parties under their respective Settlement Agreement(s), or requires any Released Party to pay more than the sum set forth in their respective Settlement Agreement(s)) is held by the CCAA Court to be invalid, void or unenforceable, the CCAA Court shall, with the agreement of the Class Representatives, following due notice to the parties in interest and a hearing on the issue, have the power to alter and interpret such term or provision to make it valid and enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered and interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Canadian Approval Order shall constitute a judicial determination and shall provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms, as same may be recognized, enforced and given effect by the U.S. Approval Order.

8.6 Paramountcy

From and after the Plan Implementation Date, any conflict between: (A) this Plan; and (B) any information summary in respect of this Plan, or the covenants, warranties, representations; terms, conditions, provisions or obligations, express or implied, of any contract, mortgage, security agreement, indenture, loan agreement, commitment letter, document or agreement, written or oral, and any and all amendments and supplements thereto existing between MMAC and any Creditor, Released Party or other Person as at the Plan Implementation Date will be deemed to be governed by the terms, conditions and provisions of this Plan and the Approval Orders, which shall take precedence and priority. Notwithstanding the foregoing, the rights and duties of the parties under the Settlement Agreements are set forth in and shall be governed by the Settlement Agreements. More particularly, the Plan Releases and Injunctions shall be in addition to and are intended to supplement any releases included in the Settlement Agreements as between the parties to such Settlement Agreements. In the event of any inconsistency between this Plan or the Approval Orders and the Settlement Agreements, the terms of the Settlement Agreements will apply with respect to the parties thereto.

8.7 Responsibilities of the Monitor

The Monitor is acting in its capacity as Monitor in the CCAA Proceeding, and the Monitor will not be responsible or liable for any obligations of MMAC hereunder. The Monitor will have only those powers granted to it by this Plan, by the CCAA and by any Order of the CCAA Court in the CCAA Proceeding, including the Initial Order.

8.8 Unclaimed Distributions

If any Person entitled to a cash distribution pursuant to this Plan cannot be located on the Plan Implementation Date or at any time thereafter or otherwise fails to claim his/her/its distribution hereunder, then such cash or cash equivalent instruments shall be set aside and held in a segregated, non-interest-bearing account to be maintained by the Monitor on behalf of such Person. If such Person is located within six (6) months of the Plan Implementation Date, such cash (less the allocable portion of taxes (including

withholding taxes), if any, paid by MMAC on account of such Person) and proceeds thereof, shall be paid or distributed to such Person. If such Person cannot be located within six (6) months of the Plan Implementation Date, any such cash, and interest and proceeds thereon, shall be remitted by the Monitor to a charitable association of its choice (if possible, in the Monitor's sole appreciation, dedicated to providing assistance to the victims of the Derailment), and such Person shall be deemed to have released its claim to such monies; provided, however, that nothing contained in this Plan shall require MMAC or the Monitor to attempt to locate such Person. Any distribution cheques that have not been negotiated within three (3) months of issuance shall be cancelled by the Monitor, and any right or entitlement to such distribution shall be treated as an unclaimed cash or distribution pursuant to this Section 8.8.

8.9 Notices

Any notice or other communication to be delivered hereunder must be in writing and reference the Plan and may, subject as hereinafter provided, be made or given by personal delivery, ordinary mail or by facsimile or email addressed to the respective parties as follows:

(a) If to MMAC

Montreal Maine & Atlantic Canada Co.
C/o Gowling Lafleur Henderson LLP
3700 – 1 Place Ville Marie
Montréal, Québec H3B 3P4

Attention: Me Patrice Benoit (patrice.benoit@gowlings.com)
Attention : Me Pierre Legault (pierre.legault@gowlings.com)
Fax : 514-876-9550

(b) If to the Monitor:

Richter Advisory Group
1981 McGill College Avenue, 11th Floor
Montréal, Québec H3A 0G6

Attention: Mr. Gilles Robillard (grobillard@richter.ca)
Attention: Mr. Andrew Adessky (aadessky@richter.ca)
Fax: 514-934-3504

with a copy by email or fax (which shall not be deemed notice) to:

Attention: Me Sylvain Vauclair (svauclair@woods.qc.ca)
Fax: 514-284-2046

(c) If to the Trustee:

Robert J. Keach, Esq. (rkeach@bernsteinshur.com)
Bernstein Shur Sawyer & Nelson

100 Middle Street
P.O. Box 9729
Portland, ME 04104-5029
Fax: 207-774-1127

or to such other address as any party may from time to time notify the others in accordance with this section. Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of faxing or emailing, provided that such day in either event is a Business Day and the communication is so delivered, faxed or emailed before 5:00 p.m. (Montréal time) on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.

8.10 Further Assurances

MMAC and any other Person named or referred to in the Plan will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of the Plan and to give effect to the transactions contemplated herein.

8.11 No Preference

Sections 38 and 95 to 101 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 shall not apply to this Plan, save and except insofar as they may allow for the preservation or enforcement of (i) any claim brought or that could be brought in the future by the Trustee or MMAC (and only the Trustee, MMAC, their designee, or, to the extent applicable, the Estates) against the Rail World Parties and/or the D&O Parties but only to the extent that there is, or may be, insurance coverage for such claims under any policy of insurance issued by Great American, including, without limitation, the Great American Policy, and (ii) claims by the Trustee or MMAC (and only the Trustee, MMAC, their designee, or, to the extent applicable, the Estates) under applicable bankruptcy and non-bankruptcy law to avoid and/or recover transfers from MMA, MMAC or Montreal, Maine & Atlantic Corporation to the holders of notes and warrants issued pursuant to that certain Note and Warrant Purchase Agreement dated as of January 8, 2003 between MMA and certain noteholders (as amended from time to time) to the extent any such transfers arise from the distribution of proceeds from the sale of certain assets of MMA to the State of Maine, including any claims by or on behalf of the Trustee or the Estates against any of the D&O Parties for any alleged breach of fiduciary duty or any similar claim based upon the D&O Parties' authorization for payment of such notes, but any such breach of fiduciary duty or any similar claim shall be limited to recovery from the insurer under any policy of insurance issued by Great American, including, without limitation, the Great American Policy.

8.12 No Admission

Notwithstanding anything herein to the contrary, nothing contained in this Plan shall be deemed as an admission by the Released Parties with respect to any matter set forth herein including, without limitation, liability on any Claim.

DATED as of the 13TH day of April, 2015

Schedule “A” List of Released Parties

PLAN OF COMPROMISE AND ARRANGEMENT

concerning, affecting and involving

MONTREAL, MAINE & ATLANTIC CANADA CO.

**SCHEDULE A TO THE PLAN OF COMPROMISE AND ARRANGEMENT OF
MONTREAL, MAINE & ATLANTIC CANADA CO.
List of Released Parties**

The list below consists of the parties who have executed settlement agreements with Montreal Maine & Atlantic Canada Co. ("MMAC") and Robert J. Keach in his capacity as Chapter 11 Trustee of Montreal, Maine & Atlantic Railway Ltd. (the "Trustee"); Nothing in this list shall supersede, effect, modify or amend any such settlement agreement and to the extent of any conflict between the descriptions in this list and any such settlement agreement, the settlement agreement shall govern. All such settlement agreements are subject to court approval and other conditions, and the inclusion of any person or entity on this list does not create or imply the release of such person or entity from any claim; in all respects, the settlement agreements, and the court orders pertaining to the settlement agreements, shall govern. The term "Affiliate" used in this Schedule "A" means with respect to any entity, all other entities directly or indirectly controlling, controlled by, or under direct or indirect common control with such entity. The other capitalized terms used herein have the meaning ascribed to them in the Plan. The Released Parties are as follows:

1. **Devlar Energy Marketing LLC together with their parents Lario Oil & Gas Company and Devo Trading & Consulting Company (collectively "Devlar")**, as well as their subsidiaries, Affiliates and each of their former and current respective employees, officers and directors, successors and permitted assignees, attorneys and insurers, (including St. Paul Fire and Marine Insurance Company and its direct and indirect parents, subsidiaries and Affiliates), but only to the extent of coverage afforded to Devlar by such insurers in relation to the Derailment.
2. **Oasis Petroleum Inc. and Oasis Petroleum LLC (jointly, "Oasis")**, together with their parents, subsidiaries, Affiliates and each of their former and current respective employees, officers and directors, successors and permitted assignees, attorneys and insurers (including St. Paul Fire and Marine Insurance Company and its direct and indirect parents, subsidiaries and affiliates) but only to the extent of coverage afforded to Oasis by such insurers in relation to the Derailment, as well as the entities identified in

Schedule 2 hereto but strictly as non-operating working interest owners or joint venturers in the specific Oasis-operated wells that produced oil that was provided and supplied by Oasis that was transported in the train involved in the Derailment.

3. **Inland Oil & Gas Corporation, Whiting Petroleum Corporation, Enerplus Resources (USA) Corporation, Halcón Resources Corporation, Tracker Resources, Kodiak Oil & Gas Corp. (now known as Whiting Canadian Holding Company, ULC) and Golden Eye Resources LLC**, together with each of their respective parents, subsidiaries, Affiliates, and each of their former and current respective employees, officers, directors, successors and permitted assignees and attorneys, but strictly as non-operating working interest owners or joint venturers in any wells that produced oil that was provided, supplied and transported in the train involved in the Derailment.
4. **Arrow Midstream Holdings CCC. (“Arrow”)** together with its parents, subsidiaries, Affiliates, successors, officers, directors, principals, employees, attorneys, accountants, representatives, and insurers. For the avoidance of doubt, Arrow shall include its current parent Crestwood Midstream Partners LP; and insurers mean only those insurers who have issued liability insurance policies to or in favor of Arrow actually or potentially providing insurance for Claims against Arrow arising from or relating to the Derailment, including without limitation, Commerce and Industry Insurance Company under policy no. 3023278 and National Union Fire Insurance Company of Pittsburgh, Pa. under policy no. 41131539.
5. **Marathon Oil Company (“Marathon”)**, together with its parent, subsidiaries, successors and assigns, Affiliates, officers, directors, principals, employees, attorneys, accountants, representatives, insurers (to the extent strictly limited to coverage afforded to Marathon in relation to the Derailment), as well as the entities identified in schedule 5 attached hereto, but strictly as non-operating working interest owners or joint venturers in the specific Marathon-operated wells that produced and supplied oil that was transported on the train involved in the Derailment. For the avoidance of doubt, insurers, as used in this definition, shall include all insurers that issued liability policies to or for the benefit of Marathon and that actually or potentially provided coverage for Claims relating to or

arising from the Derailment, including, but not limited to, Yorktown Assurance Corporation policy number XSL-7-2013 and Old Maine Assurance Ltd. (reinsurance Agreement).

6. **QEP Resources, Inc. (“QEP”)**, together with its parents, subsidiaries, Affiliates, successors and assigns, officers, directors, principals, employees, attorneys, accountants, representatives, insurers (to the extent strictly limited to coverage afforded to QEP in relation to the Derailment), as well as those entities identified in schedule 6 attached hereto, but strictly as non-operating working interest owners or joint venturers in the specific QEP-operated wells that produced and supplied oil that was transported on the train involved in the Derailment. For the avoidance of doubt, insurers, as used in this definition, shall include all insurers that issued liability policies to or for the benefit of QEP and that actually or potentially provided coverage for Claims relating to or arising from the Derailment, including, but not be limited to, National Union Fire Insurance Company of Pittsburgh, Pa. (policy number 194-99-62); American Guarantee & Liability Insurance Company (policy number UMB6692611-02).
7. **Slawson Exploration Company, Inc. (“Slawson”)**, together with its parents, subsidiaries, Affiliates, successors and assigns, officers, directors, principals, employees, attorneys, accountants, representatives, insurers (to the extent strictly limited to coverage afforded to Slawson in relation to the Derailment), as well as those entities identified on schedule 7 attached hereto, but strictly as non-operating working interest owners in the specific Slawson-operated wells that produced oil that was transported on the train involved in the Derailment. For the avoidance of doubt, insurers, as used in this definition, shall include all insurers that issued liability policies to or for the benefit of Slawson and that actually or potentially provided coverage for Claims relating to or arising from the Derailment, including, but not be limited to, Federal Insurance Company (policy 3579 09 19 and 7981 72 74), Arch Specialty Insurance Company (policy EE00039761 03), and AIG (policy BE031941993).
8. **Indian Harbor Insurance Company, XL Insurance, XL Group plc and their Affiliates** (strictly as insurers of MMA and MMAC).

9. **Edward A. Burkhardt, Larry Parsons, Steven J. Lee, Stephen Archer, Robert C. Grindrod, Joseph C. McGonigle, Gaynor Ryan, Donald Gardner, Jr., Fred Yocum, Yves Bourdon and James Howard, in their capacity as directors and officers of MMA and MMAC, Montreal, Maine & Atlantic Corporation and/or LMS Acquisition Corporation (the “D&O Parties”).**
10. **Hartford Casualty Insurance Company, together with its parents, subsidiaries, Affiliates, officers and directors** (strictly as insurer of Rail World, Inc.).
11. **Chubb & Son, a division of Federal Insurance Company** (strictly as insurers of Rail World, Inc. and Rail World Holdings, LLC).
12. **Rail World Holdings LLC; Rail World, Inc.; Rail World Locomotive Leasing LLC; The San Luis Central R.R. Co.; Pea Vine Corporation; LMS Acquisition Corporation; MMA Corporation; Earlston Associates L.P.,** and each of the shareholders, directors, officers or members or partners of the foregoing, to the extent they are not D&O Parties (the “**Rail World Parties**”). For the avoidance of doubt, (i) Rail World Parties also includes Edward A. Burkhardt, solely in his capacity as director, officer and/shareholder of certain of the Rail World Parties; and (ii) the inclusion of the above entities within the definition of “Rail World Parties”, except for the purpose of the settlement agreement executed with MMAC and the Trustee, shall not be construed to create or acknowledge an affiliation between or among any of the Rail World Parties.
13. **General Electric Railcar Services Corporation, General Electric Company** and each of its and their respective parents, Affiliates, subsidiaries, limited liability companies, special purpose vehicles, partnerships, joint ventures, and other related business entities, and each of its and their respective current or former parents, Affiliates, subsidiaries, limited liability companies, special purpose vehicles, partnerships, joint ventures, other related business entities, principals, partners, shareholders, officers, directors, managers, partners, employees, agents, insurers, attorneys, accountants, financial advisors, investment bankers, consultants, any other professionals, any other representatives or advisors, and any and all persons who control any of these, as well as any predecessors-in-interest of, or any assignors or vendors of any equipment involved in the Derailment

to, any of the foregoing entities and any of the successors and assigns of any of the foregoing entities.

14. **Trinity Industries, Inc., Trinity Industries Leasing Company, Trinity Tank Car, Inc., and Trinity Rail Leasing 2012 LLC, Trinity Rail Group LLC, RIV 2013 Rail Holdings LLC, and Trinity Rail Leasing Warehouse Trust**, inclusive of each of their respective predecessors, agents, servants, employees, shareholders, officers, directors, attorneys, representatives, successors, assigns, parents, subsidiaries, Affiliates, limited liability companies, insurers, and reinsurers (but strictly to the extent of coverage afforded to the such parties by said insurers and reinsurers), including but not limited to whether such entities are in the business of leasing, manufacturing, servicing or administrating rail cars.
15. **Union Tank Car Company, the UTLX International Division of UTCC, The Marmon Group LLC and Procor Limited (the “UTCC Parties”)**, and each of their respective predecessors, servants, employees, owners, members (strictly with respect to The Marmon Group LLC), shareholders, officers, directors, partners, associates, attorneys, representatives, successors, assigns, subsidiaries, Affiliates, and parent companies, insurers, and reinsurers listed in schedule 15 attached hereto, but strictly to the extent of coverage afforded to the UTCC Parties by said insurers and reinsurers, regardless of whether such entities are or were in the business of leasing, manufacturing, servicing, or administering rail car leases or otherwise.
16. **First Union Rail Corporation (“First Union”)**, together with its parents, subsidiaries, Affiliates, officers, directors, predecessors, successors, assigns, servants, employees, shareholders, attorneys, representatives and insurers and reinsurers (strictly to the extent limited to coverage afforded to First Union, and including, but not limited to, Lexington Insurance Company (including pursuant to the Pollution Legal Liability Select Policy no. PL52675034 and Stand Alone Excess Liability Policy no. 018403252) and Superior Guaranty Insurance Company (including pursuant to Excess Liability Policy no. 404-1XSCI13)).

17. **CIT Group, Inc.**, and its Affiliates, Federal Insurance Company solely in its capacity as an insurer of CIT Group, Inc. and its Affiliates and not in any other capacity, and Arch Insurance Group solely in its capacity as an insurer of CIT Group, Inc. and its Affiliates, and not in any other capacity.
18. **ConocoPhillips Company (“ConocoPhillips”)**, together with its subsidiaries, Affiliates, and each of their former and current respective employees, officers and directors, successors and permitted assignees, attorneys, and insurers (and the insurers direct and indirect parents, subsidiaries and Affiliates), but with regards to such insurers, only to the extent of coverage provided to ConocoPhillips by such insurers in relation to the Derailment, as well as those entities identified in Schedule 18 hereto, but strictly as non-operating working interest owners in the specific ConocoPhillips operated wells that produced and supplied oil that was transported on the train involved in the Derailment.
19. **Shell Oil Company and Shell Trading (US) Company**, together with their subsidiaries, Affiliates, and each of their former and current respective employees, officers and directors, successors and permitted assignees, attorneys, and insurers (and the insurers’ direct and indirect parents, subsidiaries and Affiliates), but with regards to such insurers, only to the extent of coverage provided to Shell Oil Company and Shell Trading (US) Company, by such insurers in relation to the Derailment.
20. **Incorr Energy Group LLC (“Incorr”)**, together with its subsidiaries, Affiliates and each of their former and current respective employees, officers and directors, successors and permitted assignees, attorneys and insurers but only with respect to coverage afforded by such insurers to Incorr in relation to the Derailment.
21. **Enserco Energy, LLC**, together with its parent, subsidiaries, Affiliates, and each of their former and current respective employees, officers and directors, successors and permitted assignees, attorneys, and insurers (and the insurers’ direct and indirect parents, subsidiaries and Affiliates), but with regards to such insurers, only to the extent of coverage provided to Enserco Energy, LLC, by such insurers in relation to the Derailment.

22. **The Attorney General of Canada, the Government of Canada, Her Majesty the Queen in Right of Canada and the departments, crown corporations and agencies including the Canadian Transportation Agency, and including all past, present and future Ministers, officers, employees, representatives, servants, agents, parent, subsidiary and affiliated crown corporations and agencies, and their respective estates, successors and assigns.**
23. **(i) Irving Oil Limited, Irving Oil Company, Limited, Irving Oil Operations General Partner Limited and Irving Oil Commercial G.P.,** (ii) any of their Affiliates (as defined in the settlement agreement), (iii) any predecessors, successors and assigns of any of the foregoing Persons named in clauses (i) and (ii) of this paragraph 23, and (iv) any directors, officers, agents and/or employees of any of the foregoing Persons named in clauses (i), (ii) and (iii) of this paragraph 23 (the “**Irving Parties**”), and the insurers listed in Schedule 23 attached hereto, but only in their respective capacities as insurers of the Irving Parties under the insurance policies listed by policy numbers in said Schedule 23 (the “**Irving Insurers**”). Notwithstanding the foregoing or anything else in this list and the Plan, the claims (including the Claims) and/or other rights that the Irving Parties have (or may have) against their insurers (including but not limited to the Irving Insurers) or any one or more of them under any applicable policies, at law, in equity or otherwise, are fully preserved and said insurers (including but not limited to the Irving Insurers) are not Released Parties in connection with said claims and/or other rights of the Irving Parties.

Notwithstanding the foregoing or anything else in this list, and without implying or providing any limitation, the term “Settling Defendants” as used herein or above does not include, and shall not be deemed to include, any of the following: (a) Canadian Pacific Railway Company, (b) World Fuel Services Corporation, (c) World Fuel Services, Inc., (d) World Fuel Services, Canada, Inc., (e) Petroleum Transport Solutions, LLC, (f) Western Petroleum Co., (g) Strobel Starostka Transfer LLC, (h) Dakota Plains Marketing LLC, (i) Dakota Plains Holdings, Inc., (j) DPTS Marketing Inc., (k) Dakota Plains Transloading LLC, (l) Dakota Petroleum Transport Solution LLC, and (m) SMBC Rail Services, LLC.

SCHEDULE 2
LIST OF NON-OPERATING WORKING INTEREST OWNERS OR
JOINT VENTURERS IN OASIS OPERATED WELLS

Whiting Oil And Gas Corporation;
Hess Corporation;
Hess Bakken Investments II LLC
Continental Resources Inc;
Sinclair Oil And Gas Company;
Conoco Phillips Company;
Black Bear Resources, LLLP;
Castlerock Resources Inc;
Deep Creek Exploration;
Enerplus Resources Usa Corporation;
Fidelity E&P Company;
Fidelity Exploration & Production Co;
Inland Oil & Gas Corporation;
Jake Energy Inc.;
Kerogen Resources Inc;
Lilley & Company;
Lilley And Associates LLC;
Linn Energy Holdings LLC;
Lone Rider Trading Company;
Mayhem Oil And Gas Inc;
Missouri River Royalty Corp;
Nj Petroleum LLC;
Northern Energy Corporation;
Northern Oil & Gas Inc;
O.T. Cross Oil LLC;
Ottertail Land & Permit Services;
Penroc Oil Corporation;
Reef 2011 Private Drilling Fund LP;
Shakti Energy LLC;
Slawson Exploration Company Inc;
Statoil Oil & Gas LP;
WHC Exploration LLC;

SCHEDULE 5

LIST OF NON-OPERATING WORKING INTEREST OWNERS OR JOINT VENTURERS IN MARATHON OPERATED WELLS

ALAMEDA ENERGY INC
ARTHUR FRANK LONG JR
BEARTOOTH RIDGE RESOURCES
CARL W STERUD JR
CHUGASH EXPLORATION LP
CONDOR PETROLEUM INC
CONTINENTAL RESOURCES INC
DISPUTED STATE-TRIBAL INTEREST
ENDEAVOR ENERGY RESOURCES LP
ENERPLUS RESOURCES CORPORATION
ESTATE OF KARL WILLIAM STERUD
ESTATE OF WALLACE HICKEL
EVERTSON ENERGY PARTNERS LLC
GADECO LLC
GOLDENEYE RESOURCES LLC
HALCON WILLISTON I LLC
HESS BAKKEN INVESTMENTS II LLC
ILAJEAN REAMS
JENNIFER BYSTROM
JOSEPHINE ANN KJONAAS
KOOTENAI RESOURCE CORP
LA PETROLEUM INC
LGFE-M LP
LINDA ELWOOD
LOUIS WALTER LONG
MARCIN PRODUCTION LLC
MICHAEL HARVEY STERUD
MISSOURI RIVER ROYALTY CORPORATION
MONTANA OIL PROPERTIES INC
MONTE TEDDY LONG
NATURAL RESOURCE PARTNERS LP
NORTHERN ENERGY CORP
NORTHERN OIL AND GAS INC
PETROGULF CORP
QEP ENERGY COMPANY
RAINBOW ENERGY MARKETING CORP
RONALD KNIGHT
S REGER FAMILY INC

SLAWSON EXPLORATION COMPANY INC
SLAWSON RESOURCES COMPANY
SPOTTED HAWK DEVELOPMENT LLC
STEWART GEOLOGICAL INC
TDB RESOURCES LP
USG PROPERTIES BAKKEN II LLC
VERSA ENERGY LLC
VITESSE ENERGY LLC
VITESSE OIL LLC
W NORTH FUND II LP
ZAGOIL COMPANY LLC

SCHEDULE 6

LIST OF NON-OPERATING WORKING INTEREST OWNERS OR JOINT VENTURERS IN QEP OPERATED WELLS

3LAND INC
ACTION REALTORS INC
ADELE L. SKODA
AMERADA HESS CORPORATION
ANDREW J HORVAT REVOCABLE TRUST
ARMSTRONG CHILDREN'S TRUST
ARMSTRONG MINERALS, LLC
AVALON NORTH LLC
BADLANDS HOLDING COMPANY
BANDED ROCK LLC
BIG PRAIRIE INVESTMENTS, LLC
BLACK STONE ENERGY COMPANY, LLC
BORGOIL RESOURCES, LLP
BRUCE P. IVERSON
BURLINGTON RESOURCES OIL & GAS
BXP PARTNERS III, LP
CHUGASH EXPLORATION LP
CONTINENTAL RESOURCES INC
COPPERHEAD CORPORATION
CRESCENT ENERGY, INC.
CRS MINERALS LLC
DAKOTA WEST LLC
DALE LEASE ACQUISITIONS 2011-B LP
DAVIS EXPLORATION
DEBRA KAY TORNBERG
DEEP CREEK EXPLORATION LLC
DEVON ENERGY PRODUCTION CO. LP
DIAMOND EXPLORATION INC
DORCHESTER MINERALS LP
DUANE A. IVERSON
E. W. BOWLES
ENDEAVOR ENERGY RESOURCES LP
ENERPLUS RESOURCES (USA)
ESTATE OF ROBERT J MCCANN JR
EZ OIL, LLC

FORESTAR PETROLEUM GROUP
GAEDEKE WILLISTON BASIN HOLDINGS
GARY LEE MCCORMICK
GREEN RIVER ENERGY LLC
HALCON RESOURCES CORP COMPANY
HESS BAKKEN INVESTMENTS II LLC
HESS CORPORATION
INTERNATIONAL PETROLEUM CORPORATION
INTERNOS, INC.
J KAMP OIL LLC
JEFF GARSKE
JERALDINE BJORNSON
JJS WORKING INTERESTS LLC
JOEL ALM
JOHN B. BJORNSON
JT ENERGY, LLC
JTT OIL LLC
JUNE ANN GREENBERG
KENNETH STEVENSON
KODIAK OIL & GAS (USA) INC
L LOWRY MAYS
LANDSOUTH PROPERTIES, LLC
LEE MCCORMICK MARITAL TRUST
LEGION LAND & EXPLORATION CORP
LELAND STENEHJEM, JR.
LGFE-M L.P.
LINDSEY K MULLENIX
LMAC, LLC
LONE RIDER TRADING COMPANY
LONETREE ENERGY & ASSOCIATES
M & M ENERGY INC
MADDOX FAMILY TRUST
MARATHON OIL COMPANY
MBI OIL & GAS LLC
MCBRIDE OIL & GAS CORPORATION
MILBURN INVESTMENTS, LLC
MISSOURI RIVER ROYALTY COMPANY
MUREX PETROLEUM CORPORATION
NORTHERN ENERGY CORPORATION
NORTHERN OIL AND GAS, INC.

NORTHLAND ROYALTY CORPORATION
NOWITZKI OIL & GAS LP
O. A. HANSON
OPINOR ANNA PTY KAISER FUND
PETROGLYPH ENERGY
PETROVAUGHN INC.
PHILIP R. BISHOP
PRADERA DEL NORTE, INC.
RALPH MADDOX FAMILY TRUST
RAVEN OIL PROPERTIES INC
REEF 2011 PRIVATE DRILLING FUND LP
ROBERT J. MCCORMICK
ROBERT POST JOHNSON
SCOTT ENERGY, LLC
SCOTT K. BJORNSON
SCOTT WARD
SIDNEY K. LEACH
SIERRA RESOURCES INC
SINCLAIR OIL & GAS COMPANY
SIXTY NINE OIL & GAS LP
SKLARCO LLC
SLAWSON EXPLORATION CO INC
SM ENERGY COMPANY
SOUTH FORK EXPLORATION, LLC
SPOTTED HAWK DEVELOPMENT LLC
SRP ENTERPRISES, INC.
STEVEN H HARRIS FAMILY LIMITED
STUBER MINERAL RESOURCES LLC
SUNDHEIM OIL CORPORATION
SUSAN D STENEHJEM
THE ERICKSON FAMILY TRUST
THE MILLENNIUM CORPORATION
THE TRIPLE T INC.
TIMOTHY J. RITTER
TL & JH KAISER SUPERANNUATION
TURMOIL INC
TWIN CITY TECHNICAL, LLC
USG PROPERTIES BAKKEN II LLC
VINNIE CORP
VINTAGE OIL & GAS, LLC

VIVIAN MCCORMICK WARREN
WESTERN ENERGY CORPORATION
WILLIAM G SEAL ESTATE
WOLF ENERGY LLC
XTO ENERGY INC
XTO OFFSHORE INC
ZACHARY D VANOVER

SCHEDULE 7

LIST OF NON OPERATING WORKING INTEREST OWNERS OR JOINT VENTURERS IN SLAWSON OPERATED WELLS

A.G. Andrikopoulos Resources, Inc.

Abercrombie Energy, Inc.

Alameda Energy, Inc.

Anthony J. Klein

Bakken HBT II, LP

Beartooth Ridge Resources, Inc.

Beck Sherven Legion Post #290

Benjamin Kirkaldie

BigSky Oil & Gas, LLC

Bob Featherer LLC

Brendall Energy, LLC

Burlington Northern & Sante Fe

C King Oil

Cedar Creek Wolverine, LLC

Centaur Consulting, LLC

Chugash Exploration, LP

Comanche Exploration Company

Continental Resources, Inc.

Craig A. Slawson

D. Sumner Chase, III 2001 Irr. Trust

David L. Hilleren

David W. Strickler Trust

Davis Exploration, LLC

Deep Blue, LLC

Dogwood Hill Farms, LLC

DS&S Chase, LLC

Enerplus Resources (USA) Corp

Formation Energy LP

Frederic Putnam

Gadeco, LLC

Gaedeke Williston Basin, Ltd.
Gasco Limited Partnership
GHG Partners, LLC
Great Plains Oil Properties, LLC
Greenhead Energy, Inc.
Gulfport Energy Corporation
HRC Energy, LLC
Huston Energy Corporation
Icenine Properties, LLC
Inland Oil and Gas Corporation
James H Bragg
John Schell
Kenneth Lyson and Claudia G. Lyson
Kodiak Oil & Gas (USA), Inc.
Kootenai Resources Corporation
L D Davis & Marilyn Davis, JTS
Lario Oil and Gas Company
Linn Energy Holdings, LLC
Marcin Production, LLC
Mark Lee
Marshall & Winston, Inc.
Mary Newman
Melbby Gas III, LLC
Missouri River Royalty Corporation
Montana Oil Properties, Inc.
MRG Holdings, LLC
Mwiley Resources, Inc.
Nadel and Gussman Bakken, LLC
Northern Oil and Gas, Inc.
Oxy USA, Inc.
Pegasus Group Inc.
Petro-Huston, LLC
Petroshale (US) Inc.
Pine Oil Co.
Pine Petroleum, Inc.
Piscato Oil, LLC

Polish Oil & Gas, Inc.
Raymond Resources Inc.
Riley Resources, Inc.
Robert A. Erickson & Cleo
S. Reger Family, Inc.
Sheringham Corporation
Slawson Resources Co.
Statoil Oil & Gas, LP
Stewart Geological, Inc.
Stuart F. Chase
Stuart F. Chase 2001 Irr. Trust
Thomas Lambert
Todd Slawson
Todd Slawson Trust
Tracker Resource Development III, LLC
U S Energy Development Corporation
USG Properties Bakken II, LLC
Vitesse Energy, LLC
Vitesse Oil, LLC
W B Oil LLC
Whiting Oil and Gas
Windsor Dakota, LLC
Zagoil Company, LLC

SCHEDULE 15

LIST OF UTCC'S INSURERS AND REINSURERS

Canadian Insurance Companies

ACE INA Insurance

Chartis Insurance Company of Canada (n/k/a AIG Insurance Company of Canada)

Westport Insurance Corporation

U.S. Insurance Companies

ACE American Insurance Company

American Zurich Insurance Company

Lexington Insurance Company

North American Capacity Insurance Company

Starr Indemnity & Liability Company

Bermudian Insurance Companies

ACE Bermuda Insurance Ltd.

Allied World Assurance Company Ltd.

Argo Re Ltd.

Chartis Excess Limited (n/k/a American International Reinsurance Company Ltd.)

Chubb Atlantic Indemnity Ltd.

Hanseatic Insurance Company (Bermuda) Limited

Iron-Starr Excess Agency Ltd. / Ironshore Insurance Ltd. / Starr Insurance & Reinsurance Limited

Starr Insurance & Reinsurance Limited

XL Insurance (Bermuda) Ltd.

SCHEDULE 18

LIST OF NON-OPERATING INTEREST OWNERS OR JOINT VENTURERS IN CONOCOPHILLIPS OPERATED WELLS

Continental Resources Inc.

Hess Corporation

JAG Oil Limited Partnership

Linn Energy Holdings LLC

Newfield Production Company

Northern Oil & Gas Inc.

Twin City Technical LLC

WM Energy Resources Inc.

SCHEDULE 23
LIST OF IRVING INSURERS

1. ACE INA Insurance
 - CGL 523952
 - XBC 602712
2. Zurich Insurance plc, UK Branch
 - B0509E1149413
 - B0509E1181313
3. Zurich Insurance Company Ltd
 - 8840960
 - 8838799
4. AEGIS, Syndicate AES 1225
 - B0509E1149413
5. Mitsui Sumitomo, Insurance Corporate Capital, Limited as sole member of Syndicate, 3210 at Lloyds
 - B0509E1181113
6. QBE Casualty Syndicate 386
 - B0509E1181113
7. QBE Syndicate 1886
 - B0509E1181113
8. Underwriters at Lloyd's and Lloyd's Syndicates, Subscribing to Policy No. B0509HM231013, including the following
 - AEGIS Syndicate AES 1225
 - Syndicate CNP 4444
 - Syndicate MKL 3000
 - Syndicate HIS 33
 - Syndicate LIB 4472
 - Syndicate ANV 1861
 - Syndicate MFM 2468
 - Syndicate AUW 609
 - Syndicate TUL 1301

- Syndicate SKD 1897
 - Syndicate AML 2001
 - Syndicate NAV 1221
 - Syndicate TRV 5000
9. XL Insurance (Bermuda) Ltd.
- XLUMB-742875
10. Oil Casualty Insurance, Ltd.
- U920303-0313
11. Argo Re Ltd.
- ARGO-CAS-OR-000227.1
12. Chubb Atlantic Indemnity Ltd.
- 3310-17-91
13. Zurich Insurance Company Ltd
- 8838799
14. Iron-Starr Excess Agency Ltd.
- 1S0000822
15. AIG Excess Liability Insurance International Limited
- 1657346
16. ACE Bermuda Insurance Ltd.
- 1OC-1338/5
17. Liberty Mutual Insurance Company
- XSTO-631084-013
18. ACE Underwriting Agencies Limited, as managing agency of Syndicate 2488 at Lloyd's, and
ACE European Group Limited
- B0509EI181413

CONFIDENTIAL

SCHEDULE “B”

CONFIDENTIAL

SCHEDULE "C"

Schedule “D” List of Existing Agreements

PLAN OF COMPROMISE AND ARRANGEMENT

concerning, affecting and involving

MONTREAL, MAINE & ATLANTIC CANADA CO.

MONTREAL, MAINE & ATLANTIC CANADA CO.
Schedule D
List of Existing Agreements

- Rail World Locomotive Leasing, LLC Railroad Locomotive Lease Agreement dated February 10, 2004, as amended.
- Rail World Locomotive Leasing, LLC Railroad Locomotive Lease Agreement dated July 1, 2012.
- Management Agreement dated January 8, 2003, as amended, by and among Montreal Maine & Atlantic Railway, Ltd., Montreal, Maine & Atlantic Canada Co., MM&A Rolling Stock Corporation, LMS Acquisition Corporation and Rail World, Inc.
- Retention Agreement between Montreal, Maine & Atlantic Railway, Ltd. and M. Donald Gardner dated on or about August 5, 2011.
- Retention Agreement between Montreal, Maine & Atlantic Railway, Ltd. and Joseph McGonigle dated on or about August 5, 2011.
- Retention Agreement between Montreal, Maine & Atlantic Railway, Ltd. and Gaynor Ryan dated on or about August 5, 2011.
- Agreement between Montreal Maine & Atlantic Railway, Ltd. and LMS Acquisition Corporation regarding payment of bulk starch transloading costs.
- Letter agreement dated May 31, 2012 between Montreal, Maine & Atlantic Canada and Rail World, Inc. regarding reimbursement payments from Government of Quebec, Minister of Transport.

**Schedule “E” Distribution mechanism with respect to the
Wrongful Death Claims**

PLAN OF COMPROMISE AND ARRANGEMENT

concerning, affecting and involving

MONTREAL, MAINE & ATLANTIC CANADA CO.

Montreal Maine & Atlantic Canada Co.
Schedule E
Distribution Mechanism with Respect to the Wrongful Death Claims

Points Allocation Matrix		
Criteria	Points per Criteria	
1. Age of the decedents	<u>Age of Decedent</u> <ul style="list-style-type: none"> • Less than 18 • 18 to less than 26 • 26 to less than 60 • 60 to less than 66 • 66 and greater 	<u>Points</u> <ul style="list-style-type: none"> • 3 • 8 • 10 • 8 • 3
2. If decedent survived by children	<u>Age of Surviving Children</u> <ul style="list-style-type: none"> • Less than 21 • 21 to less than 31 • 31 to less than 51 • 51 and greater 	<u>Points</u> <ul style="list-style-type: none"> • 15 • 7 • 5 • 3
3. If decedent is survived by a spouse	<u>Annual Income of Decedent</u> <ul style="list-style-type: none"> • Less than \$20,000 • \$20,000 to less than \$50,000 • \$50,000 to less than \$75,000 • \$75,000 to less than \$100,000 • \$100,000 and greater 	<u>Points</u> <ul style="list-style-type: none"> • 12.50 • 15.00 • 16.25 • 17.50 • 18.75
4. If decedent is survived by a spouse but no children	<ul style="list-style-type: none"> • If parents, 5 additional points • If no parents, but siblings, then 2.5 points per sibling to a maximum of 7.5 points 	
5. If decedent is not survived by a spouse or child and the decedent <u>is a minor</u>	<ul style="list-style-type: none"> • 10 points for each surviving parent and • 5 points for each surviving sibling 	
6. If decedent is not survived by a spouse or child and the decedent <u>is not a minor</u>	<ul style="list-style-type: none"> • 5 points for each surviving parent and • 2.5 points for each surviving sibling 	
7. If decedent is survived by a parent, a child, a grandparent or a grandchild	<ul style="list-style-type: none"> • Set aside of 20% for distribution to parents, siblings, grandparents and grandchildren with a potential reallocation to ensure a minimum payment of \$25,000 to each parent and sibling, and \$17,000 to each grandparent and grandchild 	

**Schedule “F” Distribution mechanism with respect to the Bodily
Injury and Moral Damages Claims**

PLAN OF COMPROMISE AND ARRANGEMENT

concerning, affecting and involving

MONTREAL, MAINE & ATLANTIC CANADA CO.

Montreal Maine & Atlantic Canada Co.
Schedule F
Distribution Mechanism with Respect to the Moral Damage Claims

	<u>Points</u>	<u>Estimate of claimants</u>	<u>Total points</u>	<u>%</u>	<u>Est. Dist.</u>	<u>Dist. per claim</u>
Trouble & Inconvenience	5.0	3,700	18,500	35.8%	\$11,472,000	\$3,100
<u>Evacuations</u>						
Per day of displacement Maximum	1.0 30.0	1,850	10,370	20.1%	6,430,000	620 Par jour
Red Zone/Yellow Zone	55.0	140	7,700	14.9%	4,774,000	34,100
Post Traumatic Stress – short term (note 2)	50.0	100	5,000	9.7%	3,100,000	31,000
Post Traumatic Stress – long term (note 2)	100.0	100	10,000	19.4%	6,201,000	62,010
Bodily injury	50.0	2	100	0.2%	62,000	31,000
Buffer (note 3)					2,032,000	
Total (notes 1 &4)						
			<u>51,670</u>	<u>100%</u>	<u>\$34,071,000</u>	

The above amounts are prior to any fees that may be claimed by the claimants' attorneys or the Class Representatives, as applicable

Note 1: This is a cumulative calculation, whereby one claimant can fall into more than one category, however wrongful death claimants cannot claim for post traumatic stress.

Note 2: For those who have been given a clinical diagnosis of post traumatic stress, a depressive disorder, an anxiety disorder and/or otherwise remain under medical and/or clinical care for mental health issues arising from the disaster and for those who were present in the red zone at the time of the derailment. In order to qualify in this category and to determine if you qualify for short term or long term post traumatic stress further details will be required by the Monitor.

Note 3: To be used for any increase in the post traumatic stress category (if any) and thereafter any unused portion will be distributed to "displacement" and "Red Zone/Yellow Zone" claimants on a pro rata basis.

Note 4: The final amounts may vary depending on further information received.

**Schedule “G” Distribution mechanism with respect to the property
and Economic Damages Claims**

PLAN OF COMPROMISE AND ARRANGEMENT

concerning, affecting and involving

MONTREAL, MAINE & ATLANTIC CANADA CO.

Montreal Maine & Atlantic Canada Co.
Schedule G
Distribution Mechanism with Respect to the Property and
Economic Damages Claims

- Property and Economic Damages Claims will be valued pursuant to the Claims Resolution Order.
- The value of the Property and Economic Damages Claims is currently estimated at \$75 million.
- Following the valuation of the Property and Economic Damages Claims pursuant to the Claims Resolution Order, creditors having Proven Claims will be paid on a pro-rata basis.
- In the event that, following the review of these claims pursuant to the Claims Resolution Order, the aggregate value of the Property and Economic Damages Claims is reduced below \$75 million, the difference between the amount of \$75 million and the revised aggregate value of these claims will be allocated to the payment of the claims in the other category described in Sections 4.2 (b) of the Plan, or, in the discretion of the Class Representatives, to the funding of an economic revitalization plan substantially in the form appended to the Plan as Schedule I.

Any distributions made may be subject to fees that may be claimed by the claimants' attorneys or the Class Representatives, as applicable.

(all amounts are in Canadian dollars)

Schedule “H” XL Settlement Agreement
PLAN OF COMPROMISE AND ARRANGEMENT
concerning, affecting and involving
MONTREAL, MAINE & ATLANTIC CANADA CO.

SETTLEMENT AGREEMENT

This Agreement is made as of the Execution Date by the XL Companies, the Trustee and MMAC, and shall be effective as of the Approval Date.¹

RECITALS

WHEREAS, MMA and MMAC are insureds under a Railroad Liability Insurance Policy, bearing number RRL003723801 and in effect from April 1, 2013 to April 1, 2014 (subject to any extensions as may be or have been agreed between the parties), issued by Indian Harbor;

WHEREAS, MMA and MMAC are insureds under a Railroad Liability Insurance Policy, bearing the number RLC003808301 and in effect from April 1, 2013 to April 1, 2014 (subject to any extensions as may be or have been agreed between the parties), issued by XL Insurance;

WHEREAS, on July 6, 2013, a train operated by MMAC and MMA derailed in Lac-Mégantic, Québec, Canada, causing numerous fatalities, bodily injury to hundreds of people, and extensive property and environmental damage;

WHEREAS, on August 6, 2013, MMAC filed a petition for the issuance of an initial order with the CCAA Court.

WHEREAS, Richter Advisory Group Inc. has been appointed as Monitor in connection with the CCAA Proceeding;

WHEREAS, on August 7, 2013, MMA filed a voluntary petition in the Bankruptcy Court for relief under chapter 11 of the Bankruptcy Code;

WHEREAS, on August 21, 2013, the United States Trustee appointed the Trustee, having full rights and power under the Bankruptcy Code to act for and on behalf of MMA;

¹ All capitalized terms used herein have the meanings contained in the definitions set forth in Section I of this Agreement.

EXECUTION COPY

WHEREAS, various claims arising out of the Derailment have been made against MMA, MMAC, and other insureds under the Policies;

WHEREAS, the Parties wish to resolve all Claims that have arisen or could in the future arise relating to the Policies by agreeing to a global settlement relating to Claims and possible Claims against the XL Companies arising out of the Derailment or otherwise under the Policies;

WHEREAS, the Canadian Policy is the applicable policy in respect of any loss, cost or expense arising out of the Derailment, and covered losses arising out of the Derailment will substantially exceed the applicable CAN \$25 million per occurrence limit in the Canadian Policy;

WHEREAS, the Parties recognize that, to the extent applicable, Quebec law provides that the proceeds of the Canadian Policy are property of the victims of the Derailment, and the Parties seek to establish a mechanism for promptly providing those victims with access to those proceeds;

WHEREAS, the parties also seek to achieve a global resolution of any and all other matters relating to the Policies, through a buy-back, by the XL Companies, of the Trustee's and MMAC's remaining interests in the Policies;

WHEREAS, through this Agreement, the Plan and the Approval Orders, the Parties seek to provide the XL Companies with the broadest possible release with respect to the Policies and to provide that the XL Companies shall have no further obligations to any Person for any and all Claims that have been, or could in the future be, asserted against the XL Companies in relation to the Policies and/or the Derailment;

WHEREAS, the XL Companies have sought, and the Trustee, MMAC and the Monitor have agreed, through the negotiations leading to this Agreement, to create a mechanism under

which all of the Directors, Officers and Employees, and all other Persons that assert any right or interest in the Policies have had reasonable opportunity to become a Settling Defendant and Released Party by entering into an appropriate settlement agreement.

WHEREAS, the Parties intend that this Agreement shall be approved in the Bankruptcy Case and CCAA Proceeding and given the effect by the U.S. Approval Order and the Canadian Approval Order.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and intending to be legally bound, the Parties agree as follows:

I. DEFINITIONS

As used in this Agreement, the following terms have the meanings set forth below.

1.1. "Agreement" means this Settlement Agreement.

1.2. "Approval Date" means the date on which the U.S. Approval Order and the Canadian Approval Order become Final Orders. If the U.S. Approval Order and the Canadian Approval Order become Final Orders on different dates, the Approval Date is the date on which the later order to become a Final Order becomes a Final Order.

1.3. "Approval Orders" means the U.S. Approval Order and the Canadian Approval Order, collectively.

1.4. "Bankruptcy Case" means the case styled *In re Montreal, Maine & Atlantic Railway Ltd.*, Bankr. D. Me. No. 13-10670.

1.5. "Bankruptcy Code" means Title 11 of the United States Code.

1.6. "Bankruptcy Court" means the United States Bankruptcy Court for the District of Maine, as presiding over the Bankruptcy Case.

1.7. "Canadian Approval Order" means an order entered in the CCAA Proceeding, which Order shall be in form and substance acceptable to the XL Companies, and shall, among

other things, (i) approve, sanction and/or confirm the Canadian Plan, (ii) approve this Agreement; (iii) authorize MMAC to undertake the settlement and the transactions contemplated by this Agreement; (iv) authorize the sale of MMAC's remaining interest, in the Policies, if any, to the extent permitted by law, to the XL Companies free and clear of any and all claims and interests; (v) vest any and all interests in the XL Indemnity Payment; (vi) provide that the XL Companies are good faith purchasers of MMAC's remaining interests in the Policies and, as such, are entitled to all protections provided to a good-faith purchaser; and (vii) provide for the Injunction.

1.8. "Canadian Policy" means the insurance policy issued by XL Insurance, bearing number RLC003808301.

1.9. "Canadian Plan" means a plan of compromise or arrangement, to be filed by MMAC in the CCAA Proceeding, which shall provide, among other things, for approval of this Agreement and entry of the Canadian Approval Order, which Canadian Plan shall be in form and substance acceptable to the XL Companies.

1.10. "CCAA" means the Companies' Creditors Arrangement Act, R.S.C. c. C-36, as amended.

1.11. "CCAA Court" means the Superior Court, Province of Québec, as presiding over the CCAA Proceeding.

1.12. "CCAA Proceeding" means the case styled *In the Matter of the Plan of Compromise or Arrangement of Montreal, Maine & Atlantic Canada Co.*, Superior Court, Province of Québec, No. 500-11-045094-139.

1.13. "CIT Group" means CIT Group, Inc.

1.14. "Claim" means past, present and future claims, causes of action, obligations, rights, suits, judgments, remedies, interests, actions, liabilities, demands, duties, injuries, damages, expenses, fees, or costs of whatever kind or nature (including attorney's fees and expenses), whether foreseen or unforeseen, known or unknown, asserted or unasserted, contingent or matured, liquidated or unliquidated, whether in tort, contract, extra-contractual or otherwise, whether statutory, at common law or in equity, including but not limited to claims for breach of contract, breach of the implied covenant of good faith and fair dealing, statutory or regulatory violations, for indemnity or contribution, or punitive, exemplary or extra-contractual damages of any type, (a) arising out of, based upon, or relating in any way related to, in whole or in part, directly or indirectly, whether through a direct claim, cross-claim, third-party claim, subrogation claim, class action or otherwise, to (i) the Derailment, including any claims for wrongful death, personal injury, emotional distress, property damage, economic loss, or environmental damage, remediation or exposure; (ii) the Policies; (iii) the issuance of the Policies; (iv) insurance coverage under the Policies, reimbursement or payment under the Policies; (v) any act or omission of an insurer of any type for which a Claimant might seek relief in connection with the Policies, or (b) that would otherwise constitute a claim (i) provable in bankruptcy under the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3, had MMAC become bankrupt on August 6, 2013; or (ii) within the definition of "claim" set forth in Section 101(5) of the Bankruptcy Code.

1.15. "Claimant" means any Person holding or potentially holding any Claim against (i) MMA, (ii) MMAC, (iii) to the extent applicable, the Estates, (iv) any XL Company, and/or (v) any of the Released Parties.

1.16. "Derailment" means the July 6, 2013 derailment in Lac-Mégantic, Québec.

1.17. "Directors, Officers and Employees" mean any and all persons or entities who qualify as an officer, director, partner, or employee under either of the Policies.

1.18. "Estates" means the MMA bankruptcy estate and, to the extent applicable, the MMAC estate.

1.19. "Execution Date" means the first day upon which all Parties have executed this Agreement.

1.20. "Final Order" means an order of the Bankruptcy Court or the CCAA Court that is no longer subject to further appeals, either because the time to appeal has expired without an appeal being filed, or because it has been affirmed by any and all courts with jurisdiction to consider any appeals therefrom.

1.21. "Indian Harbor" means Indian Harbor Insurance Company.

1.22. "Injunction" means an order by the CCAA Court and the Bankruptcy Court permanently releasing and enjoining the enforcement, prosecution, continuation or commencement of any (a) Claim that any Person or Claimant holds or asserts or may in the future hold or assert against the XL Companies arising out of, in connection with and/or in any way related to any of the Policies and (b) Claim against any Released Party and/or Settling Defendant arising out of, in connection with and/or in any way related to the Policies or the Derailment. The Injunction order shall provide that all Persons and Claimants, whether or not consensually, shall be deemed to have granted full and complete releases to the XL Companies and the Released Parties and shall be permanently and forever barred, estopped, stayed and enjoined from (i) pursuing any Claim against the XL Companies and the Released Parties, (ii) continuing or commencing any action or other proceeding with respect to any Claim against the XL Companies and the Released Parties, (iii) seeking the enforcement, attachment, collection or

recovery of any judgment, award, decree, or order against the XL Companies and the Released Parties or property of the XL Companies and the Released Parties with respect to any Claim, (iv) creating, perfecting, or enforcing any encumbrance of any kind against the XL Companies and the Released Parties or the property of the XL Companies and the Released Parties with respect to any Claim, and (v) asserting any right of setoff, subrogation, or recoupment of any kind against any obligations due to the XL Companies and the Released Parties with respect to any Claim, the whole to the extent that any such Claim Arises out of, is in connection with and/or in any way related to the Derailment or the Policies.

1.23. "MMA" means Montreal, Maine & Atlantic Railway Ltd.

1.24. "MMAC" means Montreal, Maine and Atlantic Canada Co.

1.25. "Monitor" means Richter Advisory Group Inc., in its capacity as Monitor in the CCAA Proceeding, or such other entity as may be approved by the CCAA Court in the future to serve in such capacity in the CCAA Proceeding.

1.26. "Other Insurer" means any Person that provided, or claims or is alleged to have provided, any insurance coverage to MMA, MMAC, any of their Directors, Officers and Employees, or affiliates.

1.27. "Parties" means the Trustee (for himself solely as a trustee, for MMA and for its estate), MMAC, and the XL Companies.

1.28. "Person" means and includes a natural person or persons, a group of natural persons acting as individuals, a group of natural individuals acting in collegial capacity (e.g., as a committee, board of directors, etc.), a corporation, partnership, limited liability company or limited partnership, a proprietorship, joint venture, trust, legal representative, or any other unincorporated association, business organization or enterprise, any government entity and any

successor in interest, heir, executor, administrator, trustee, trustee in bankruptcy, or receiver of any person or entity.

1.29. "Plan" means the U.S. Plan and/or the Canadian Plan.

1.30. "Policies" mean the U.S. Policy and the Canadian Policy.

1.31. "Proceedings" mean the Bankruptcy Case and the CCAA Proceeding.

1.32. "Rail World" means Rail World, Inc.

1.33. "Released Parties" means any and all Persons with whom MMAC and the Trustee has executed or hereafter executes a settlement agreement substantially in the form of this Agreement (the "Settling Defendants") whereby the Settling Defendants are provided with a release of any Claim in connection with the Derailment, provided that Approval Orders are rendered approving such settlement agreements and providing the Injunction in favour of the Settling Defendants.

1.34. "Settlement Amount" means the sum of the XL Indemnity Payment plus the XL Additional Payment, to be paid by the XL Companies pursuant to Section 2.1 of this Agreement.

1.35. "Settling Defendant" has the meaning set forth in Section 1.33 of this Agreement.

1.36. "Trustee" means Robert J. Keach, in his capacity as chapter 11 Trustee appointed in the Bankruptcy Case, or such other person as may be approved by the Bankruptcy Court in the future to serve in such capacity in the Bankruptcy Case.

1.37. "U.S. Approval Order" means (x) an Order entered in the Bankruptcy Case sanctioning, approving and/or confirming the Plan, or (y) an order entered in the Bankruptcy Case pursuant to the applicable sections of chapter 15 of the Bankruptcy Code, which order recognizes and enforces the terms of the Canadian Approval Order. In either case, a "U.S. Approval Order" shall be in form and substance acceptable to the XL Companies, and must,

among other things, (i) approve this Agreement; (ii) authorize the Trustee to undertake the settlement and the transactions contemplated by this Agreement; (iii) authorize the sale of the MMA estate's remaining interest in the Policies to the XL Companies free and clear of any and all claims and interests; (iv) vest any and all interests in the XL Indemnity Payment; (v) provide that the XL Companies are good faith purchasers of the MMA estate's remaining interests in the Policies and, as such, are entitled to all protections provided to a good-faith purchaser; and (vi) provide for the Injunction.

1.38. "U.S. Plan" means the plan of reorganization, to be filed by the Trustee in the Bankruptcy Case, which shall provide, among other things, for approval of this Agreement and entry of the U.S. Approval Order, which U.S. Plan shall be in form and substance acceptable to the XL Companies.

1.39. "U.S. Policy" means the insurance policy issued by Indian Harbor, bearing number RRL003723801.

1.40. "XL Companies" means Indian Harbor, XL Insurance, XL Group plc and their affiliates.

1.41. "XL Additional Payment" is US \$5 million.

1.42. "XL Indemnity Payment" is CDN \$25 million.

1.43. "XL Insurance" means the Canadian Branch of XL Insurance Company SE (formerly XL Insurance Company Limited).

1.44. "XL Policies" means the Canadian Policy and the U.S. Policy.

II. SALE OF THE ESTATES' REMAINING INTERESTS IN THE POLICIES AND PAYMENT OF THE SETTLEMENT AMOUNT

2.1. Subject to all of the terms and conditions of this Agreement, in full and final settlement of all responsibilities under and arising out of the Policies, the XL Companies shall

purchase from the Trustee and MMAC, and the Trustee and MMAC shall sell, convey, transfer and deliver to the XL Companies, after payment of the Settlement Amount, MMA's and the MMAC's remaining interests, if any and to the extent permitted by law, in each of the Policies, free and clear of any and all Interests of any and all Persons. Within five calendar days of payment of the Settlement Amount, and upon request of the XL Companies, the Trustee and MMAC shall execute and deliver to the XL Companies bills of sale, in form and substance acceptable to the XL Companies, evidencing such sales of MMA's and the MMAC estate's remaining interests in the Policies to the XL Companies, which sales shall be effective as of the Approval Date.

2.2. Subject to all of the terms of this Agreement, in full and final settlement of all responsibilities under and arising out of the Policies, including the sale of MMA's and the MMAC estate's remaining interests in the Policies, XL Insurance shall pay the Settlement Amount to the Monitor by no later than the 10th calendar day after Approval Orders become Final Orders. The Trustee (to whom a portion of the Settlement Amount will be remitted by the Monitor for distribution to some of the Claimants, the whole in accordance with the Plan), MMAC and the Monitor covenant and agree that the proceeds of the XL Indemnity Payment shall be distributed in accordance with the Plan. The Trustee and MMAC intend to seek authorization to use the entire amount of the XL Additional Payment for the payment of (i) allowed administrative expenses in the Bankruptcy Case and (ii) the professional fees and disbursements of the Monitor, the Monitor's counsel and MMAC's counsel in the CCAA Proceeding.

2.3. The Parties agree that (i) the Settlement Amount is the total amount the XL Companies are obligated to pay on account of any and all Claims of any kind made under or

related to the Policies; (ii) under no circumstance will the XL Companies ever be obligated to make any additional payments to MMA, MMAC, the Trustee, the Estates (where applicable), or any other Person in connection with the Policies; (iii) all limits of liability of the Policies, including all per occurrence and aggregate limits, shall be deemed fully and properly exhausted; (iv) the Settlement Amount is the full purchase price of MMAC's and the MMA estate's remaining interests in the Policies, and upon payment of the Settlement Amount, the XL Companies will be deemed to own MMAC's and the MMA estate's remaining interests in the Policies free and clear of any and all claims and interests of any Person, (v) subject to the terms of this Agreement and the occurrence of the Approval Date, the XL Companies shall have no further obligation to MMA, MMAC, the Trustee, the Estates (where applicable), or any other Person or Claimant under or related to the Policies for any Claim; and (vi) the Settlement Amount is at least equal to the fair value of MMAC's and the MMA estate's remaining interests in the Policies.

2.4. Effective immediately upon payment of the Settlement Amount, and without any further action by any of the Parties, all of MMA's and MMAC's rights and the rights of all other Persons under and with respect to the Policies shall be permanently and irrevocably extinguished.

III. BANKRUPTCY AND CCAA RELATED OBLIGATIONS

3.1. By on or about March 31, 2015, MMAC shall file the Canadian Plan in the CCAA Proceeding, and shall use its best efforts to obtain entry of the Canadian Approval Order as a Final Order. MMAC covenants and agrees that it will use its best efforts to obtain the Canadian Approval Order and that it will vigorously defend any objection to the Canadian Plan filed by any party or Person.

3.2. By on or about March 31, 2015, Trustee shall file the U.S. Plan in the Bankruptcy Case and shall use his best efforts to obtain entry of the U.S. Approval Order as a Final Order. The Trustee covenants and agrees that he will use his best efforts to obtain the U.S. Approval Order and that he will vigorously defend any objection to the U.S. Plan filed by any Person.

3.3. If either of the Approval Orders (or any other orders of the Bankruptcy Court or CCAA Court relating to this Agreement) shall be appealed by any Person (or a petition for certiorari or motion for rehearing or reargument shall be filed with respect thereto), the Trustee and MMAC agree to take all reasonable steps to defend against such appeal, petition or motion, provided, however, that nothing herein shall preclude the Parties from consummating the transactions contemplated herein if the Approval Orders shall have been entered and have not been stayed and the XL Companies, in their sole discretion, waive in writing the requirement that each of the Approval Orders be a Final Order.

3.4. Each of the Parties further agrees not to take any appeal from, or to seek to reopen, reargue or obtain reconsideration of, or otherwise contest or challenge in any way, directly or indirectly, the Approval Orders or any other order provided for by, or executed or entered pursuant to, or in implementation of, this Agreement, except to the extent that any such order shall be inconsistent with the terms hereof.

3.5. The Trustee and MMAC agree to cooperate with the XL Companies and their representatives in connection with seeking approval of the Plans and the Approval Orders. Such cooperation shall include consulting with the XL Companies, at their request, concerning the status of the Proceedings, including the status of the Plans and Approval Orders, and providing the XL Companies with draft copies of requested pleadings, notices, proposed orders and other documents relating to the Proceedings, the Plans, the Approval Orders and/or the service of the

Plans and Approval Orders as soon as reasonably practicable so as to afford the XL Companies a reasonable opportunity to review and comment on any such documents in advance of filing. The Trustee and MMAC further covenant and agree that they will not submit for approval in the Proceedings any motion, adversary proceeding, filing or other request the approval of which could conflict with, supersede, abrogate, nullify, modify or restrict the terms of the Agreement and the rights of the XL Companies hereunder, or in any way prevent or interfere with the consummation or performance of the transactions contemplated by this Agreement, including any transaction that is contemplated by or approved pursuant to the Plans or the Approval Orders.

3.6. In the event any Person asserts a Claim against any of the XL Companies after the Approval Date, arising out of or related to any matter released by this Agreement, the XL Companies shall notify the Trustee and/or MMAC and the Trustee and/or MMAC shall immediately seek an order from the CCAA Court and/or the Bankruptcy Court enjoining such Claim, as the XL Companies may elect and direct.

3.7. On the same day that MMAC and the Trustee file the Plan, or as soon as practicable thereafter, MMAC (through the Monitor) and the Trustee shall serve copies of the Plan on (i) each Person known to the Trustee, MMAC or the XL Companies to have a Claim against any of them or the Estates through participating in the Proceedings, the filing of a lawsuit, or the filing of a proof of claim or other assertion of a Claim, or otherwise (or to his, her, or its proxy, representative or counsel of record); (ii) any and all Persons known to the Trustee, MMAC or the XL Companies entitled or allegedly entitled to insurance coverage under the Policies, including Rail World, the Directors, Officers and Employees, and any other additional insured (or Persons claiming to be additional insureds) or otherwise claiming to be entitled to

benefits under the Policies and those Persons falling within a policy definition of "named insured"; (iii) all other Persons who or that have filed timely proofs of claim in the Proceedings; (iv) all Persons on the master service lists maintained in the Proceedings; and (v) all other parties in interest, including any Person who or that filed a notice of appearance and demand for service of papers in the Proceedings. MMAC (through the Monitor) and the Trustee shall also provide appropriate publication notice, and such further or other notice as may be required by the CCAA Court (with respect to MMAC) or the Bankruptcy Court (with respect to the Trustee). As soon as reasonably practical after filing the Plan, the certificates of the service provided by mail and by publication shall be filed by the Monitor in the CCAA Proceedings and by the Trustee in the Bankruptcy Case.

IV. RELEASE

4.1. Effective upon the Approval Date and the payment of the Settlement Amount, and without any further action of the Parties:

(a) MMAC and the Trustee, on behalf of themselves and, to the extent applicable, the Estates, hereby fully, finally, and completely remise, release, acquit and forever discharge the XL Companies from any and all Claims whether actual or alleged, known or unknown, accrued or unaccrued, existing or potential, suspected or unsuspected with respect to, relating to, or in any way arising out of the Policies. The release of the XL Companies under this Section 4.1 of the Agreement shall include, but shall not be limited to, any and all Claims for coverage with respect to, relating to, or in any way arising out of the Policies whether for property damage, bodily injury, personal injury, advertising injury, or any other form of loss, expense, or other benefits, covered or potentially covered, under the Policies. In addition, MMAC and the Trustee, on behalf of themselves and, to the extent applicable, the Estates, hereby withdraw any and all requests, demands, or tenders for defense or indemnity previously

submitted to the XL Companies under the Policies and further surrender, relinquish, and release any further right to tender or present any Claims whatsoever to the XL Companies under the Policies. Furthermore, by virtue of the foregoing releases and the Approval Orders, XL Companies shall have no duty to defend or indemnify MMA, MMAC, the Trustee and any other insured under the Policies, on behalf of themselves and the Estates, with respect to any past, present, or future Claim, nor shall XL Companies have any other duty or obligation whatsoever to any other Person with respect to any and all Claims arising out of, in connection with, and relating to the Policies.

(b) The XL Companies hereby fully, finally, and completely remise, release, acquit and forever discharge MMA, MMAC, the Trustee, the Estates and all the Released Parties from any and all Claims whether actual or alleged, known or unknown, accrued or unaccrued, existing or potential, suspected or unsuspected with respect to, relating to, or in any way arising out of the Policies. The XL Companies also waive any and all rights, at law or contractual, of subrogation, indemnification, and/or contribution that they have, or may have, against any Person as a result of or on account of the payment of the Settlement Amount, including without limitation any rights based on any "Other Insurance" clause in the Policies.

4.2. Releases Do Not Extend To Obligations Under The Agreement. The releases set forth in Section 4.1 of this Agreement are not intended to, and shall not, extend to or otherwise release or discharge any rights, privileges, benefits, duties, or obligations of any of the Parties by reason of, or otherwise arising under, this Agreement.

4.3. Changes In Fact Or Law. The Parties acknowledge that there may be changes in the law with respect to interpretation of coverage under the Policies or otherwise and/or that the Parties may hereafter discover facts different from, or in addition to, those which they now

believe to be true with respect to any and all of the claims herein released. Nevertheless, the Parties hereby agree that the releases set forth above, and in the Plan and the Approval Orders, shall be and remain effective in all respects, notwithstanding any changes in the law and/or the discovery of such additional or different facts. Moreover, the Trustee and MMAC understand that Claims that have been or may be asserted may increase or decrease in amount or in severity over time, that Claims that have been or may be asserted may include progressive, cumulative, unknown, and/or unforeseen elements, and that there may be hidden, unknown, and unknowable damages, defense expenses, or other costs related to such Claims. Nevertheless, the Parties irrevocably and knowingly agree that the releases contained in Section 4.1 of this Agreement include a full and complete and irrevocable release and discharge from all known and unknown rights or Claims or interest arising out of, in connection with, and/or relating to, in any manner or fashion, the Policies.

4.4. General Release. In furtherance of their express intent to fully, finally, and irrevocably release and discharge each other for all Claims, known and unknown, as set forth in this Section 4 of the Agreement, and in the Plan and the Approval Orders, each of the Parties expressly waives any and all rights it may have under any contract, statute, code, regulation, ordinance, or the common law, which may limit or restrict the effect of a general release as to Claims released herein, arising out of, in connection with, and/or relating to the Policies.

4.5. Reinsurance. The releases set forth in this Section 4 of the Agreement shall not apply to or have any effect on the XL Companies' right to any claim for reinsurance in connection with the Policies; nor shall any matter related to the XL Companies' assertion of any claim to reinsurance affect the XL Companies' obligations under this Agreement.

4.6. Beneficiaries Of Release. Subject to the other provisions of this Agreement, to the extent that the releases set forth in this Section 4 of the Agreement run to the favor of any Persons who are not signatories hereto, this Agreement is hereby declared to be made in and for their respective benefits and uses.

4.7. No Assignment Of Claims. The Trustee on behalf of himself, MMA and the MMA estate, and MMAC, on behalf of itself and, to the extent applicable, the MMAC estate, warrant and represent that they have not sold, assigned, transferred, conveyed, or otherwise disposed of any Claims that they are releasing in this Agreement. Moreover, Trustee on behalf of himself, MMA and the MMA estate, and MMAC, on behalf of itself and the MMAC estate, represent, warrant, and agree that they will not in any way assist any Person in the establishment of any Claim against the XL Companies that arises out of, results from, or in any way relates to, the XL Companies' investigation, handling, defense, or settlement by the XL Companies of Claims released under this Agreement.

V. REPRESENTATIONS AND WARRANTIES OF THE PARTIES.

Each of the Parties separately represents and warrants as follows:

(a) Subject to the entry of the Approval Orders, it has the requisite power and authority to enter into this Agreement and to perform the obligations imposed on it or him by this Agreement;

(b) Subject to the Approval Date, the execution and delivery of, and the performance of the obligations contemplated by this Agreement have been approved by duly authorized representatives of the Party, and by all other necessary actions of the Party;

(c) Each Party has expressly authorized its or his undersigned representative to execute this Agreement on the Party's behalf as its or his duly authorized agent;

(d) This Agreement has been thoroughly negotiated and analyzed by its or his counsel and has been executed and delivered in good faith, pursuant to arm's length negotiations, and for value and valuable consideration; and

(e) Each Party will use its or his best efforts to seek entry of the Approval Orders.

VI. MISCELLANEOUS PROVISIONS

6.1. Conditions Precedent. This agreement is conditioned on the Approval Orders becoming Final Orders, the form and substance of which shall be acceptable to the XL Companies to the extent of any provision affecting the XL Companies and/or the rights thereof, after all parties, known by the Trustee or MMAC to be insured or to claim to be insured under the XL Policies, receive notice of the Plans and Approval Orders and have an opportunity to be heard thereon.

6.2. Termination Rights. If the Bankruptcy Court or the CCAA Court declines to enter either of the Approval Orders, or if the Approval Orders are vacated or modified in a way that is not acceptable to the XL Companies, or are reversed on appeal such that they do not become Final Orders, the XL Companies, may terminate this Agreement by delivering written notice of such termination to the Trustee and MMAC. In the event that this Agreement is terminated, (i) the Agreement shall be deemed null and void; (ii) the XL Companies shall not be obligated to pay the Settlement Amount pursuant to this Agreement; (iii) the XL Companies, MMAC and the Trustee shall have all of the rights, defenses and obligations under or with respect to any and all Policies that they would have had absent this Agreement; and (iv) any and all otherwise applicable statutes of limitations or repose, or other time-related limitations, shall be deemed to have been tolled for the period from the Execution Date through the date that the Agreement becomes null and void pursuant to the terms of this Agreement.

6.3. Amendments. Neither this Agreement nor any term set forth herein may be changed, waived, discharged, or terminated except by a writing signed by the Parties (or their successors or assigns).

6.4. No Precedential Value. The settlement reflected in this Agreement shall be without precedential value, and it is not intended to be, nor shall it be construed as, an interpretation of any insurance policies. It shall not be used as evidence, or in any other manner, in any court or other dispute resolution proceeding, to create, prove, or interpret the obligations of the XL Companies under any insurance policies issued to MMA, MMAC, or to any other Person, provided, however, that subject to the provisions of Section 6.15 of this Agreement, this Agreement may be used as evidence in any defense of the XL Companies of any obligation arising under the Policies.

6.5. Agreement Voluntarily Entered Into By Each Of The Parties. This Agreement is executed voluntarily by each of the Parties without any duress or undue influence on the part, or on behalf, of any of them. The Parties represent and warrant to each other that they have read and fully understand each of the provisions of this Agreement and have relied on the advice and representations of competent legal counsel of their own choosing.

6.6. Interpretation. This Agreement has been negotiated at arm's length and between and among Persons sophisticated and knowledgeable in the matters dealt with in this Agreement. In addition, this Agreement was drafted by experienced and knowledgeable legal counsel for each of the Parties. Accordingly, neither Party shall be presumptively entitled to have any provisions of the Agreement construed against the other Party in accordance with any rule of law, legal decision or doctrine.

6.7. No Admission of Liability. The Parties agree that this Agreement is the result of a compromise of disputed issues of coverage, and that the execution and delivery of this Agreement by any of the Parties shall not constitute or be construed as an admission of any liability, a course of performance, or wrongdoing on the part of any of them. The Parties acknowledge that this Agreement is not, and cannot be construed as, any admission by the XL Companies that any defense, indemnity, or other coverage obligation exists under the Policies, or that XL Companies have any other obligation of any nature whatsoever with respect to the Policies. By entering into this Agreement, the Trustee, MMAC, and the XL Companies have not waived nor will be deemed to have waived any right, obligation, privilege, defense or position it may have asserted or might assert in connection with any claim, matter, Person, or insurance policy outside the scope of this Agreement. No Person other than the Parties hereto shall have any legally enforceable rights or benefits under this Agreement except as specifically set forth in Section 4.6 of this Agreement.

6.8. Attorneys' Fees, Costs, And Expenses. Each of the Parties shall bear its own costs, attorneys' fees, and expenses in connection with the negotiations for and preparation of this Agreement. Additionally, the attorneys' fees, expenses, and costs incurred by the XL Companies for the investigation and defense of any claims prior to the Approval Date shall be the sole responsibility of the XL Companies. Notwithstanding the foregoing, the XL Companies acknowledge that the Trustee and MMAC intend to seek authorization to use the entire amount of the XL Additional Payment for the payment of (i) allowed administrative expenses in the Bankruptcy Case and (ii) the fees and disbursements of the Monitor, the Monitor's counsel and MMAC's counsel in the CCAA Proceeding.

6.9. Entire And Integrated Agreement. This Agreement is intended by the Parties as a final expression of their agreement and is intended to be a complete and exclusive statement of the agreement and understanding of the Parties with respect to the subject matters contained herein. This Agreement supersedes any and all prior promises, representations, warranties, agreements, understandings, and undertakings between or among the Parties with respect to such subject matters, and there are no promises, representations, warranties, agreements, understandings, or undertakings with respect to such subject matters other than those set forth or referred to herein.

6.10. No Third Party Beneficiaries. Except as set forth in Section 4.6 of this Agreement, nothing in this Agreement is intended or shall be construed to give any Person, other than the XL Companies, MMAC, and the Trustee (on behalf of himself as trustee, MMA, and the MMA estate) and their respective successors and permitted assigns, any legal or equitable right, remedy, or claim under or in respect to this Agreement or any provisions contained herein; this Agreement and any conditions and provisions hereof being and intended to be for the sole and exclusive benefit of the XL Companies, MMAC and the Trustee (on behalf of himself as a trustee, MMA, and the MMA estate) as well as each of their successors and permitted assigns, and for the benefit of no other Person. Notwithstanding the foregoing, neither this Agreement nor the rights and obligations set forth herein shall be assigned without the prior written consent of the other Party, except that this Section shall not prohibit any assignment by the XL Companies (a) made by merger, consolidation, or operation of law or (b) to a Person who succeeds to all or substantially all of such Party's assets.

6.11. Severability. If any provisions of this Agreement, or the application thereof, shall for any reason or to any extent be construed by a court of competent jurisdiction to be invalid or

unenforceable, the remainder of this Agreement, and application of such provisions to other circumstances, shall remain in effect and be interpreted so as best to reasonably effect the intent of the Parties. Notwithstanding the foregoing, all of the conditions precedent in this Agreement will remain in full force and effect following any determination that any other provisions of this Agreement are invalid or unenforceable.

6.12. Notice. Any notice or request required or desired to be given pursuant to this Agreement shall be sufficient if made in writing and sent by first class mail, postage prepaid, or email to the Parties at the addresses set forth below or to such other Persons as any of them may designate in writing from time to time:

(a) As to the XL Companies:

Anthony Vidovich
General Counsel – Global Claims
XL Group – Insurance
100 Constitution Plaza
Hartford, CT 06103
anthony.vidovich@xlgroup.com

(b) As to the Trustee:

Robert J. Keach, Esq.
Bernstein Shur Sawyer & Nelson
100 Middle Street
P.O. Box 9729
Portland, ME 04104-5029
rkeach@bernsteinshur.com

(c) As to MMAC:

Patrice Benoit
patrice.benoit@gowlings.com
-and-
Pierre Legault
pierre.legault@gowlings.com
Gowlings Lafleur Henderson LLP
1 Place Ville Marie, suite 3700
Montreal, Quebec H3B 3P4

With a simultaneous copy to the Monitor:

Andrew Adessky
AAdessky@richter.ca
-and-
Gilles Robillard
grobillard@richter.ca
Richter Advisory Group Inc.
1981 McGill College, 11^e étage
Montréal (QC) H3A 0G6

6.13. Headings. The section titles, captions, and headings contained in this Agreement are inserted as a matter of convenience and for reference, and shall in no way be construed to define, limit, or extend the scope of this Agreement or the effect of any of its provisions.

6.14. Recitals. The recitals set forth at the beginning of this Agreement shall not be admissible to prove the truth of the matters asserted in any action or proceeding involving any of the Parties (other than an action or proceeding brought to enforce the terms of this Agreement), nor do any of the Parties intend such recitals to constitute admissions of fact by any of them.

6.15. Agreement Inadmissible. Any evidence of the terms or negotiations or discussions associated with this Agreement shall be inadmissible in any action or proceeding for purposes establishing any rights, duties or obligations of the Parties, except in (a) an action or proceeding to enforce the terms or effect of this Agreement or the Injunction, (b) proceedings before the Bankruptcy Court or CCAA Court to secure the Approval Orders, or (c) any possible action or proceeding between the XL Companies and any of their reinsurers bearing responsibility for any of the XL Companies' obligations under this Agreement. Except as set forth herein, this Agreement shall not be used as evidence or in any other manner, in any court or dispute resolution proceeding, to create, prove, or interpret the Parties' rights or obligations to each other or to any other Person.

6.16. Additional Necessary Documents. The Parties, and each of them, agree to execute such additional documents as may be reasonably required in order to carry out the purpose and intent of this Agreement, or to evidence anything contained herein.

6.17. Execution in Counterparts. This Agreement may be signed in multiple counterparts and the separate signature pages executed by the Parties may be combined to create a document binding on all of the Parties and together shall constitute one and the same instrument.

6.18. Cross-Border Insolvency Protocol. Each of the Parties hereby acknowledges and agrees that the Cross-Border Insolvency Protocol attached as Schedule C to this Agreement shall apply for purposes of any action, suit or proceeding arising out of or relating to this Agreement or any of the transactions contemplated hereby.

6.19. This Agreement may be executed in two or more counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

6.20. This Agreement constitutes the Parties' entire agreement and supersedes and replaces all prior written and oral agreements regarding the subject matter of this Agreement. Each Party acknowledges that no other Party or agent or attorney of any other Party has made any promise, representation or warranty, express or implied, which is not expressly contained in this Agreement.

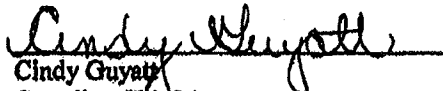
6.21. Rules of Construction. As used in this Agreement, the singular and masculine gender shall mean also the plural and feminine or neuter, as may be appropriate, "it" shall include "he" and "she"; and "each" and "all" includes "each" and "every." Unless the context of this Agreement otherwise requires, (i) words using the singular or plural number also include the plural or singular number, respectively; (ii) the terms "hereof," "herein," "hereby" and

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derivative or similar words refer to this entire Agreement; (iii) the words "include," "includes" or "including" shall be deemed to be followed by the words "without limitation," and (iv) the word "or" shall be disjunctive but not exclusive. References to this Agreement and other documents shall be deemed to include all subsequent amendments and other modification thereto.

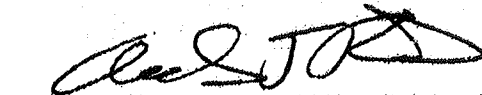
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date set forth, along with the respective signatures, below.

XL Insurance:


Cindy Guyatt
Canadian Chief Agent
XL Insurance Company SE

Dated: March 4, 2015

Indian Harbor Insurance Company:


Andrew J. Pinkes
Director and Executive Vice President

Dated: March 4, 2015

Chapter 11 Trustee:

Robert J. Keach
Chapter 11 Trustee
In re Montreal, Main & Atlantic Railway, Ltd.
Bankr. D. Me. 13-10670

Dated: March __, 2015

Montreal, Maine and Atlantic Canada Co.:

Robert J. Keach
Sole Shareholder, in capacity as Chapter 11
Trustee, *In re Montreal, Main & Atlantic
Railway, Ltd.*, Bankr. D. Me. 13-10670

Dated: March __, 2015

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derivative or similar words refer to this entire Agreement; (iii) the words "include," "includes" or "including" shall be deemed to be followed by the words "without limitation," and (iv) the word "or" shall be disjunctive but not exclusive. References to this Agreement and other documents shall be deemed to include all subsequent amendments and other modification thereto.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date set forth, along with the respective signatures, below.

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Cindy Guyatt
Canadian Chief Agent
XL Insurance Company SE

Dated: March __, 2015

Indian Harbor Insurance Company:

Andrew J. Pinkes
Director and Executive Vice President

Dated: March __, 2015

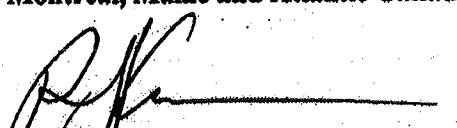
Chapter 11 Trustee:



Robert J. Keach
Chapter 11 Trustee
In re Montreal, Main & Atlantic Railway, Ltd.,
Bankr. D. Me. 13-10670

Dated: March 23, 2015

Montreal, Maine and Atlantic Canada Co.:



Robert J. Keach
Sole Shareholder, in capacity as Chapter 11
Trustee, *In re Montreal, Main & Atlantic*
Railway, Ltd., Bankr. D. Me. 13-10670

Dated: March __, 2015

Schedule “I”

LAC MÉGANTIC ECONOMIC REVITALIZATION FUND

PLAN OF COMPROMISE AND ARRANGEMENT

concerning, affecting and involving

MONTREAL, MAINE & ATLANTIC CANADA CO.

LAC MÉGANTIC ECONOMIC REVITALIZATION FUND

I. BACKGROUND

In the early morning hours of July 6, 2013, the idyllic town of Lac Mégantic was devastated by a train derailment that resulted in the death of 47 people, extensive destruction of property considerable environmental damage.

The derailment hit at the economic and cultural heart of the town – its core was destroyed and remains a barren wasteland. The demolition of contaminated and abandoned houses and other structures is only now beginning nearly two years after the explosions. Because of the profound physical damage caused by the derailment and resulting fire, along with the leaching of approximately 6 million litres of toxic crude oil from the derailed tank cars, it will be some considerable time before that land is fully remediated and available for redevelopment.

In the meantime, the businesses that were burned to the ground have either collapsed entirely or, if lucky, have had to relocate elsewhere. The costs associated with re-establishing these businesses and buildings from the ground up have been significant and they have not been fully covered by the various funding options currently available.

Class Members and the community as a whole, whose businesses were either destroyed or significantly impacted by the derailment have suffered multiple types of economic loss including, *inter alia*, loss of income, loss of goods/products, equipment and tools of trade. Other losses are not readily apparent or quantified and will not be adequately compensated through the existing and planned funding structures.

This proposal aims to create a tool to provide for the sustained economic recovery of Lac-Mégantic's business community in an attempt to counterbalance the economic disadvantages it has experienced as a direct result of the disaster.

II. THE PROPOSAL: THE *LAC MÉGANTIC ECONOMIC REVITALIZATION FUND*

Even where individual business and home owners may have received some form of compensation for their individual losses, the economic challenges ahead go far beyond simply

providing individualized economic damage awards. The task is to ensure that the Lac Mégantic business community remains a vital source of growth and prosperity for the town as a whole.

Although targeted financial assistance has been extended by various levels of government to assist in the economic recovery of Lac Megantic, there is no contemplated source of compensation intended to assist with the restoration of economic vitality to Lac Megantic. Although the quantification of lost business opportunities is not easily accomplished, it is evident that references to Lac-Megantic conjure up images of waste and devastation that can only serve to deter the direction of economic activity to the town, whether in the form of travel dollars, business investment or otherwise.

The proposed Lac-Megantic Economic Revitalization Fund (“the Fund”) will work to ameliorate this condition by ensuring, to the extent possible, that the totality of the economic losses suffered by residents are meaningfully addressed.

III. OBJECTIVE OF THE FUND

The objective of the Fund is to ensure as complete an economic recovery as possible, for Class Members directly impacted and for the town as a whole, by stimulating economic activity in the town of Lac-Megantic to counterbalance the implicit economic disadvantages experienced by the town as a result of the railway disaster that occurred on July 6, 2013.

IV. LEGAL STRUCTURE

The Fund will be established pursuant to the laws of the Province of Quebec and Canada, as either a trust or as a not for profit corporation. The Class Representatives are currently consulting with counsel to determine the most efficient and effective structure for the Fund, having regard to its objectives, tax and other relevant considerations.

V. GOVERNANCE OF THE FUND

The Fund will be governed by a board of five to seven trustees or directors, as applicable (the “Board”). The Board will provide overall direction as to the use of the Fund, will reflect the multi-faceted interests of the Lac Megantic business and cultural communities and will be comprised of recognized community leaders, drawn from various sectors including business,

tourism, cultural, legal, finance and public administration, with relevant expertise to both establish and evaluate eligibility criteria for funding applications under the Fund.

The members of the Board would be appointed, from time to time, and as needed by vote of the majority of the Class Representatives appointed by the CCAA court. Appointments would be for a term of up to 18 months.

The members of the Board would not be paid for their services, but would be entitled to compensation out of the Fund for reasonable disbursements incurred by them in furtherance of their governance of the Fund, and the Class Representatives would have the discretion to pay them an Honorarium out of the Fund for their period of service, not to exceed \$10,000 or such other amount as the CCAA Court may approve.

In view of the CCAA and Class litigation which gives rise to the proposed Revitalization Fund, it is also contemplated that at least one member of the Board of Directors shall act in a liaison capacity with the supervising CCAA Court and shall be responsible for reporting in writing periodically (semi-annually) on the activities of the Board of Directors and the status of the Fund, as well as receiving any reports of concern/complaints relating to the administration of the and, as necessary, reporting on same to the supervising Court.

VI. ADMINISTRATION OF THE FUND

Subject to reaching agreement, the Fund would be managed and administered, on a day to day basis, principally by the existing, local, Société d'aide au développement de la collectivité de la région de Mégantic ("SADC"), given its credentials as well as its intimate knowledge of the town's business community.

In the absence of agreement with the SADC, the Fund will be administered by a General Manager retained by the Board, from time to time. The General Manager will have the ability to retain a secretary or secretarial services and lease office space and equipment as needed. The Fund will also have the ability, subject to approval by the Board, to retain professional advisors, such as lawyers, accountants and actuaries, as needed for the purposes of attaining its objectives. In the event that a General Manager is retained, they will receive a salary out of the Fund, set by

the Board. In the event that the General Manager retains a secretary, the secretary will receive a salary out of the Fund, set by the Board. The lease of office space and equipment will be on terms approved by the Board.

VII. SOURCES OF CAPITAL

The Fund will initially be financed by a payment made out of the Plan of Arrangement of Montreal Maine and Atlantic Canada Co. (the “CCAA Plan”).

A tranche of \$75 million has been allocated to Economic Loss claims for the purposes of the CCAA Plan. The Monitor has indicated that, based upon its review of the claims as currently filed, the actual claims may be less than this amount. It is proposed that the difference between the dividend that would have been received by creditors in respect of economic loss claims of \$75 million and the dividend that is actually received by creditors in respect of proven economic loss claims be used to create the Fund.

VIII. USES AND PRIORITIES OF THE FUND:

The uses of the Fund will be determined by the Board, in their discretion, in a manner consistent with the stated objectives of the Fund and having regard to the opportunities identified by the Board and the administrators of the Fund, and any applications or proposals for funding received by the Fund. Advances from the Fund may take the form of loans, grants or such other form as the Board considers appropriate. To the extent practicable, the Fund will collaborate on projects and coordinate with other agencies in Lac-Mégantic to take advantages of economies of scale, reduce administration costs, and enhance benefits to the community.

Possible uses of funds include:

- a. The funding of a community-purpose development upon completion of the physical remediation of the land directly damaged by the derailment, which might include a cultural arts facility, indoor and outdoor memorial gardens, skating rink/reflecting pool, along with retail spaces for both consumer products and services, along with hospitality/restaurants, all of which shall aid in the development and revitalization of Lac-Mégantic’s economy;

- b. The full or partial funding of sporting or artistic events that will create economic activity in the town of Lac-Mégantic and enhance its reputation.
- c. The full or partial funding of advertising of events, business opportunities and other positive features related to the town of Lac-Mégantic.
- d. The establishment of grants or low-interest loans to assist with the repayment of debt previously incurred for purposes that are consistent with the stated objectives of the Fund for all persons and entities (natural persons, legal persons established for a private interest, partnerships or associations which had no more than 50 employees during the 12-month period preceding the Motion for Authorization) residing in, owning or leasing property in, operating a business in or being employed by a person resident in or a business located in Lac-Mégantic, and/or were physically present in Lac-Mégantic (...) on July 6, 2013, the date of the train derailment (the “Train Derailment”) [including their estate, successor, spouse or partner, child, grandchild, parent, grandparent and sibling], or any other group to be determined by the Court;

EXHIBIT R-2

**SUPERIOR COURT
(Commercial Division)**

CANADA
PROVINCE OF QUEBEC
DISTRICT OF
ST-~~FRAKOIS~~FRANCOIS

No: 450-11-000167-134

DATE: _____

PRESENT: THE HONOURABLE GAETAN DUMAS, J.S.C.

IN THE MATTER OF THE PLAN OF COMPROMISE OF:

MONTREAL, MAINE & ATLANTIC CANADA CO. (MONTREAL, MAINE & ATLANTIQUE
CANADA CIE)
Debtor/Petitioner

-and-

RICHTER ADVISORY GROUP INC. (RICHTER GROUPE CONSEIL INC.)
Monitor

GUY OUELLET, SERGE JACQUES and LOUIS-SERGES PARENT
Court Appointed Representatives of the Class Members

CREDITORS' MEETING ORDER

~~SEEING the Petitioner's Motion for an order for the convening, holding and conduct of a creditors' meeting and for a twelfth extension of the stay period (the "Motion") pursuant to Sections 4, 9, 10 and 11 et seq. of~~ Class Representatives' Motion for an order accepting the filing of an amended plan and for advice and directions pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36 (the "CCAA") ~~and the affidavit of Robert Keach in support thereof, the Monitor's 16th Report dated April 1, 2015~~ and the submissions of counsel to the Class Representatives, the Petitioner, the Monitor and other interested parties;

GIVEN the provisions of the Initial Order granted by this Court on August 8, 2013, as amended thereafter, and the Claims Procedure Order granted by this Court on April 4, 2014 and amended on June 13, 2014;

GIVEN the provisions of the CCAA;

WHEREFORE, THE COURT:

[1] **GRANTS** the Motion;

Service

[2] **DECLARES** that the notices given for the presentation of the Motion are proper and sufficient;

Definitions

[3] **ORDERS** that capitalized terms used herein and not otherwise defined have the meaning ascribed to them in the Plan and that the following terms in this Order shall have the following meanings ascribed thereto:

(a) **"Chair** has the meaning ascribed to it in paragraph ~~19~~20 hereof;

(b) **"Class Representative"** means the court-appointed representatives of the class members pursuant to the Representation Order ;

(c) **"Class Representatives' Plan"** means the Amended plan of compromise and arrangement filed by the Class Representatives on or around April 14, 2015 pursuant to the provisions of the CCAA, as it may be amended, varied or supplemented from time to time in accordance with its terms;

(d) ~~(b)~~ **"Claims Bar Date"** means 5:00 p.m. (Montreal time) on July 14, 2014 with respect to Wrongful Death Claims and 5:00 p.m. (Montreal Time) on June 13, 2014 with respect to all the other Creditors;

(e) ~~(c)~~ **"Claims Procedure Order"** means the Amended Claims Procedure Order rendered on June 13, 2014, in the CCAA Proceeding by the CCAA Court, establishing, among other things, a claims procedure in respect of Petitioner, as such Order may be amended, restated or varied from time to time;

(f) ~~(d)~~ **"Creditors"** means collectively all Persons having filed a Proof of Claim and **"Creditor"** means any one of them;

(g) ~~(e)~~ **"Creditors' Meeting"** means the meeting of Creditors to be held on the Meeting Date for the purposes of considering and voting on the Plan and the Class Representatives' Plan;

(h) ~~(f)~~ **"Determination Date"** means August 8, 2013;

(i) ~~(g)~~ **"Designated Newspapers"** means La Presse, L'Echo de Frontenac, La Tribune, The Sherbrooke Record and the Montreal Gazette;

(j) ~~(h)~~ **"Meeting Date"** means May 27, 2015 subject to any adjournment, postponement or other rescheduling or further order of this Court;

(k) ~~(i)~~ **"Meeting Materials"** shall have the meaning ascribed to such term in paragraph 25;

Q(l) **"Monitor's Website"** means ~~http~~http://vwww.richter.ca/en/insolvency-cases/m/montreal-maine-and-atlantic-canada-co;

(~~k~~m) "**Motion**" has the meaning ascribed to it in the preamble of this Creditor's Meeting Order;

(~~i~~n) "**Notice to Creditors**" means a notice of this Order and of the Creditors Meetings setting out the Meeting Date, substantially in the form attached hereto as **Schedule A**;

3

(~~o~~o) (~~m~~) "**Plan**" means the plan of compromise and arrangement filed on March 31, 2015 pursuant to the provisions of the CCAA, as it may be amended, varied or supplemented from time to time in accordance with its terms;

(~~p~~p) (~~n~~) "**Proofs of Claim**" means the form of proofs of claim filed by Creditors before the Claims Bar Date in accordance with the Claims Procedure Order or otherwise accepted for filing pursuant to further order of this Court. Individually, each is a "Proof of Claim";

(~~q~~q) (~~e~~) "**Protective Proof of Claim**" means the Proof of Claim filed by the Class Representatives on behalf of the holders of Wrongful Death Claims in accordance with paragraph 6 of the Claims Procedure Order;

(~~r~~r) (~~p~~) "**Proxy**" means a proxy substantially in the form of Schedule B hereto or as otherwise accepted by the Monitor or approved by this Court;

(~~s~~s) (~~e~~) "**Publication Date**" means the date on which the publication of the Newspaper Notice in all of the Designated Newspapers has been completed;

(~~t~~t) (~~r~~) "**Representation Order**" means the Representation Order issued by this Court on April 4, 2014;

(~~u~~u) (~~s~~) "**Sanction Hearing**" has the meaning ascribed to it in paragraph 33 hereof;

(~~v~~v) (~~t~~) "**Service List**" means the service list posted on the Monitor's Website;

(~~w~~w) (~~u~~) "**Voting Claim(s)**" has the meaning ascribed thereto in paragraph 7 hereof;

(~~x~~x) (~~v~~) "**Voting Claim Categories**" are the Wrongful Death Claims, Bodily Injury and Moral Damages Claims, Property and Economic Damages Claims, Subrogated Insurer Claims, Government Claims, and Non-Derailment Claims. Individually, each is a "**Voting Claim Category**";

(~~y~~y) (~~w~~) "**Voting Creditor**" means a Creditor that holds a Voting Claim;

Interpretation

[4] **DECLARES** that where the context requires, a word or words importing the singular shall include the plural and vice versa;

CCAA Plan

[5] **ORDERS** that:

(a) the Plan ~~is~~ and the Class Representatives' Plan are hereby accepted for filing; and

(b) Petitioner shall seek approval of the Plan and the Class Representatives' Plan in the

manner set forth herein;

- [6] **ORDERS** that Petitioner and the Class Representatives, in consultation with the Monitor, ~~is~~are hereby authorized to file any modification of, or amendment, variation or supplement to, the Plan and the Class Representatives' Plan, respectively (each a "Plan Modification"), prior to the Meeting Date or at or before any Creditors' Meeting, in which case any such Plan Modification shall, for all purposes, be and be deemed to form part of and be incorporated into the Plan or the Class Representatives' Plan, as the case may be. Petitioner and the Class Representatives shall give notice of any such Plan
- 4 Modification at the Creditors' Meeting prior to the vote being taken to approve the Plan. Petitioner and the Class Representatives may give notice of any such Plan Modification at or before the Creditors' Meeting by notice which shall be sufficient if, in the case of notice at the Creditors' Meeting, given to those Voting Creditors present at such meeting in person or by Proxy. The Monitor shall post on the Monitor's Website, as soon as possible, any such Plan Modification, with notice of such posting forthwith provided to the Service List;

Value of Claims for Voting Purposes

- [7] **ORDERS** that each Voting Creditor shall be entitled to vote and, for voting purposes:
- (a) Wrongful Death Claims shall, in the aggregate, represent no more than 22.2% (\$200,000,000.00) in value of all votes cast by Creditors;
 - (b) Bodily Injury and Moral Damages Claims shall, in the aggregate, represent no more than 11.1% (\$100,000,000.00) in value of all votes cast by Creditors;
 - (c) Property and Economic Damages Claims shall, in the aggregate, represent no more than 8.3% in value of all votes cast by Creditors (\$75,000,000.00);
 - (d) Subrogated Insurer Claims shall, in the aggregate, represent no more than 3.8% (\$33,701,330.00) in value of all votes cast by Creditors;
 - (e) Government Claims shall, in the aggregate, represent no more than 48.5% (\$435,626,775.00) in value of all votes cast by Creditors;
 - (f) Non-Derailment Claims shall, in the aggregate, represent no more than 6.1% (\$55,046,528.00) in value of all votes cast by Creditors;
- [8] **ORDERS** that each vote within its given Voting Claim Category, subject to the maximum total value attributed to such Voting Claim Category under the Plan or the Class Representatives' Plan and as set forth in paragraph 7 hereof, will be valued at an amount that is proportional to the face value of the corresponding Proof of Claim versus the face value of all Proofs of Claim filed in a given Voting Claim Category, the whole in accordance with the following formula:

$$\frac{\text{Face value of the Creditor's Proof of Claim}}{\text{Aggregate face value of all Proofs of Claim in the relevant Voting Claim Category}} \times \frac{\text{Maximum total value attributed to relevant Voting Claim Category as set forth in paragraph 7 hereof}}{\text{Value of the Creditor's Voting Claim}}$$

Creditors' Meeting

- [9] **DECLARES** that the Monitor is hereby authorized to call, hold and conduct the Creditors'

Meeting at the Centre Sportif Megantic in the City of Lac-Megantic, Quebec, for the purpose of considering and, if appropriate, approving the Plan, unless the

~~5~~ Creditors decide by resolution carried by the majority of votes (one vote for every Voting Claim, to be valued in accordance with paragraphs 7 and 8 hereof) to adjourn the Creditors' Meeting to a later date;

[10] DECLARES that if the Plan is not approved by the requisite majority of creditors, the Monitor shall continue the Creditors' Meeting to consider and vote on the Class Representatives' Plan.

[11] DECLARES that the only Persons entitled to attend and speak at the Creditors' Meeting are Voting Creditors, their legal representatives and their proxy holders, representatives of the Petitioner, representatives of the Monitor, the Chair (as defined below) and their respective legal and financial advisors. Any other Person may be admitted to the Creditors' Meeting on invitation of the Chair;

[~~14~~12] ORDERS that any proxy which any Creditor wishes to submit in respect of the Creditors' Meeting (or any adjournment thereof) must be substantially in the form attached hereto as Schedule B (or in such other form acceptable to the Monitor or the Chair or the court) and be received by the Monitor before the beginning of the Creditors' Meeting;

[~~12~~13] DECLARES that the quorum required at the Creditors' Meeting shall be one Creditor present at such meeting in person or by proxy. If the requisite quorum is not present at the Creditors' Meeting, then the Creditors' Meeting shall be adjourned by the Chair to such time and place as the Chair deems necessary or desirable;

[~~13~~14] DECLARES that the only Persons entitled to vote at the Creditors' Meeting shall be:

(a) Subject to subparagraph (b), Voting Creditors and their proxy holders;

(b) Class Representatives on behalf of Class Members (as defined in the Representation Order) who qualify as Voting Creditors, except for those Class Members having opted out of class representation pursuant to the Representation Order within the prescribed delay;

[~~14~~15] ORDERS that Creditors eligible to file Bodily Injury and Moral Damages Claims, as well as Property and Economic Damages Claims, in the CCAA Proceeding but that opted to only file their proofs of claim in the Bankruptcy Case shall be deemed, for voting and distribution purposes only, to have filed said proofs of claim in the CCAA Proceeding (the "**Deemed Filing**");

[~~15~~16] ORDERS that, should any Deemed Filing proof of claim be subject to dispute, such dispute would be resolved within the scope of the Bankruptcy Case, where the holders of such Deemed Filing proofs of claim opted to file same;

[~~16~~17] ORDERS that the Protective Proof of Claim shall be admitted for voting purposes, subject to paragraphs 7 and 8 hereof, and the votes of Creditors benefiting therefrom shall be cast by the Class Representatives, except for those Creditors having opted out of class representation pursuant to the Representation Order within the prescribed delay. Said creditors may vote individually or by proxy based on the value attributed to their claim in the Protective Proof of Claim, the whole subject to paragraphs 7 and 8 hereof;

[~~17~~18] DECLARES that a Voting Claim shall not include fractional numbers and Voting Claims shall be rounded down to the nearest whole Canadian dollar amount;

[~~18~~19] ORDERS that the results of any and all votes conducted at the Creditors' Meeting shall

be binding on all Creditors, whether or not any such Creditor is present or voting at the Creditors' Meeting;

[20] ~~[19]~~ **ORDERS** that the Monitor shall preside as the chair of the Creditors' Meeting (the "Chair") and, subject to any further order of this Court, shall decide all matters relating to the conduct of the Creditors' Meeting. Petitioner and any Creditor may appeal from any decision of the Chair to the Court, within five (5) Business Days of any such decision;

[21] ~~[20]~~ **DECLARES** that, at the Creditors' Meeting, the Chair is authorized to direct a vote with respect to the Plan and If the Plan is not approved by the requisite majorities of Creditors, the Class Representatives' Plan and any amendments, variations or supplements thereto as the Petitioner ~~may~~ or the Class Representatives may respectively consider appropriate;

[22] ~~[21]~~ **ORDERS** that the Monitor may appoint scrutineers for the supervision and tabulation of the attendance, quorum and votes cast at the Creditors' Meeting. A Person designated by the Monitor shall act as secretary at the Creditors' Meeting;

~~**[22]** **ORDERS** that in the absence of instruction to vote for or against the approval of the Plan in a duly signed and returned Proxy, the Proxy shall be deemed to include instructions to vote for the approval of the Plan;~~

[23] **ORDERS** that any resolution to be voted on at the Creditors' Meeting to approve, amend, vary or supplement the Plan or the Class Representatives' Plan, will be decided by the majority of votes representing two-thirds (2/3) in value (one vote for every Voting Claim, to be valued in accordance with paragraphs 7 and 8 hereof) on a vote by ballot, and that any other matter submitted for a vote at the Creditors' Meeting shall be decided by a majority of votes cast on a vote by a show of hands, unless the Chair decides, in his or her sole and absolute discretion, to hold such vote by way of ballot;

Notification Procedure

[24] **ORDERS** that the Notice to Creditors, which is hereby approved, shall be published twice by the Monitor in the Designated Newspapers as soon as possible following the issuance of this Order, but in any event no later than May 2, 2015;

[25] **ORDERS** that, on or before 5:00 p.m. Montreal time on April 30, 2015, the Monitor shall publish on the Monitor's Website and send to the Service List the following documents (collectively, the "Meeting Materials"):

(a) the Notice to Creditors (in English and French);

(b) the Plan (in English and French);

(c) the Class Representatives' Plan (in English and French);

(d) ~~(e)~~ a copy of the form of voting letter and Proxy (in English and French) for Creditors not represented by the Class Representatives, substantially in the form attached hereto as Schedule B; and

(e) ~~(d)~~ the Monitor's report on the Plan and the Class Representatives' Plan (in English and French);

(f) ~~(e)~~ the Chapter 11 Plan of Liquidation and Disclosure Statement filed in the Bankruptcy Case;

~~7~~

(g) ~~(f)~~ a copy of the present Order (in French and English);

- [26] **ORDERS** that Petitioner is hereby authorized to make such modifications, amendments or supplements ("**Additional Information**") to the Meeting Materials (other than the Plan or Class Representatives' Plan which may be modified, amended or supplemented solely in accordance with paragraph 6 hereof) as the Petitioner may determine, and the Petitioner shall distribute or make available such Additional Information by one or more of the following methods determined in its discretion in consultation with the Monitor: (i) posting on the Monitor's Website; (ii) news release; (iii) newspaper advertisement; (iv) pre-paid regular mail, email, fax or delivery (in person or by courier); (v) except for Proxies, distribution at the Creditors' Meetings; or (vi) such other reasonably practicable method in the circumstances.
- [27] **ORDERS** that, in addition to the publications referred to in paragraphs 24 and 25 hereof, the Monitor shall send the following to all known Creditors, by prepaid regular mail, courier, fax or email, at the address appearing on a Creditor's Proof of Claim by no later than 5:00 p.m. (Montreal time) on or about May 6, 2015:
- (a) a copy of the Notice to Creditors (in English and French);
 - (b) the Plan (in English and French);
 - (c) the Class Representatives' Plan (in English and French)
 - (d) ~~(e)~~ a copy of the form of voting letter and Proxy (in English and French) for Creditors not represented by the Class Representatives, substantially in the form attached hereto as Schedule B;
 - (e) ~~(d)~~ the Monitor's report on the Plan and Class Representatives' Plan (in English and French)
 - (f) ~~(e)~~ a copy of the present Order (in English and French);
 - (g) ~~(f)~~ a letter advising that a copy of the Chapter 11 Plan of Liquidation and Disclosure Statement filed in the Bankruptcy Case may be obtained from the Monitor's Website;
- [28] **ORDERS** that publication of a copy of the Notice to Creditors in the manner set out in paragraph 24, and publication of the Meeting Materials in accordance with paragraph 25 hereof, shall constitute good and sufficient service of the Meeting Materials on all Persons who may be entitled to receive notice thereof, or of these proceedings, or who may wish to be present in person or by proxy at the Creditors' Meeting, or who may wish to appear in these proceedings, and no other form of notice or service need be made on such Persons, and no other document or material need be served on such Persons in respect of these proceedings;
- [29] **ORDERS** that if the holder of a Claim or any subsequent holder of the whole of a Claim who has been acknowledged by the Monitor as the Creditor in respect of such Claim, transfers or assigns the whole of such Claim to more than one Person or part of such Claim to another Person or Persons, such transfer or assignment shall not create a separate Claim or Claims and such Claim shall continue to constitute and be dealt with as a single Claim notwithstanding such transfer or assignment, and the Monitor and the Petitioner shall in each such case not be bound to recognize or acknowledge any such transfer or assignment and shall be entitled to give notices to and to otherwise deal ~~with~~ ~~such~~ ~~with~~ such Claim only as a whole and then only to and with the Person last holding such Claim in whole as the Creditor in respect of such Claim, provided such Creditor may by notice in writing to the Monitor direct that subsequent dealings in respect of such Claim, but only as a whole, shall be with a specified Person and in such event, such Creditor, such transferee or assignee of the Claim as a whole shall be bound by any notices given or steps taken in respect of such Claim with such Person in accordance with this Order;

Notices and Communications

[30] **ORDERS** that any notice or other communication to be given under this Order by a Creditor to the Monitor ~~or~~, the Petitioner, or the Class Representatives shall be in writing in substantially the form provided for in this Order and will be sufficiently given only if given by mail, telecopier, courier or email addressed to:

(a) If to the Petitioner

Montreal Maine & Atlantic Canada Co.
C/o Gowling Lafleur Henderson LLP
3700 — 1 Place Ville Marie
Montreal, Quebec H3B 3P4

Attention: Me Patrice Benoit (patrice.benoit@gowlings.com)
Attention : Me Pierre Legault (pierre.legault@gowlings.com)
Fax : 514-876-9550

(b) If to the Monitor:

Richter Advisory Group
1981 McGill College Avenue, 11th Floor
Montreal, Quebec H3A 0G6
Attention: Mr. Gilles Robillard (grobillard@richter.ca)
Attention: Mr. Andrew Adessky (aadessky@richter.ca)
Fax: 514-934-3504

with a copy by email or fax (which shall not be deemed notice) to:

Attention: Me Sylvain Vauclair (svauclair@woods.qc.ca)
Fax: 514-284-2046

(c) If to the Class Representatives:

Daniel Larochelle (info@daniellarochelle.com)
5031, boul. des Vétérans,
Lac-Mégantic, Québec
G6B 2G4
Fax: 819.583.5959

[31] **ORDERS** that any document sent by the Monitor pursuant to this Order may be sent by e-mail, ordinary mail, registered mail, courier or facsimile transmission. A Creditor shall be deemed to have received any document sent pursuant to this Order two (2) Business Days after the document is sent by mail and one (1) Business Day after the document is sent by courier, e-mail or facsimile transmission. Documents shall not be sent by ordinary or registered mail during a postal strike or work stoppage of general application;

Sanction Hearing

[32] **ORDERS** that the Monitor shall report to this Court no later than three (3) Business Days after the Creditors' Meeting with respect to:

9

~~(a)~~ (a) the results of the voting to approve the Plan and if necessary, the Class Representatives' Plan;

- (b) any other matter which the Monitor considers relevant in view of the Sanction Hearing;

[33] **ORDERS** that, subject to further order of this Court, if the Plan has been accepted in accordance with the terms of this Order, the Petitioner shall bring a motion presentable before this Court on June 9, 2015 (the "**Sanction Hearing**"), seeking an order approving and sanctioning the Plan (the "**Canadian Approval Order**");

[34] ~~ORDERS that a copy of the Petitioner's motion seeking the Canadian Approval Order be published on the Monitor's Website as soon as it is filed with this Court;~~

[35] ~~ORDERS that the Petitioner shall serve the motion seeking the Canadian Approval Order on the Service List no later than four (4) Business Days after the Creditors' Meeting and that such service should constitute good and sufficient service for the purpose of the Sanction Hearing upon all Persons entitled to receive such service;~~

[36] ~~ORDERS that, subject to further order of this Court, if the Class Representatives' Plan has been accepted in accordance with the terms of this Order, the Class Representatives shall bring a motion presentable before this Court on June 9, 2015, seeking a Canadian Approval Order;~~

[37] ~~[34]—ORDERS that a copy of the~~ORDERS that a copy of the Class Representatives' motion seeking the Canadian Approval Order be published on the Monitor's Website as soon as it is filed with this Court;

[38] ~~[35]—ORDERS~~ that the ~~Petitioner~~Class Representatives shall serve the motion seeking the Canadian Approval Order on the Service List no later than four (4) Business Days after the Creditors' Meeting and that such service should constitute good and sufficient service for the purpose of the Sanction Hearing upon all Persons entitled to receive such service;

[39] ~~[36]—ORDERS~~ that any Person intending to object to the motion seeking the Canadian Approval Order shall file with this Court a written notice containing a description of its proposed grounds of contestation and shall effect service of same upon counsel to the Petitioner and the Monitor, and upon those Persons listed on the Service List, the whole no later than 4:30 p.m. (Montreal Time) three (3) Business Days after the service of the motion seeking the Canadian Approval Order;

[40] ~~[37]—ORDERS~~ that in the event that the Sanction Hearing is adjourned, postponed or otherwise rescheduled, only those Persons listed on the Service List are required to be served with notice of the adjourned, postponed or otherwise rescheduled date;

Aid and Assistance of Other Courts

[41] ~~[38]—REQUESTS~~ the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province or any court or any judicial, regulatory or administrative body of the United States and of any other nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this Order;

General Provisions

[42] ~~[39]—ORDERS~~ that for the purposes of this Order, all Claims that are denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada noon spot rate of exchange for exchanging currency to Canadian dollars on the Determination Date;

[43] ~~**[40]**~~ **ORDERS** that the Monitor shall use reasonable discretion as to the adequacy of completion and execution of any document completed and executed pursuant to this Order and, where the Monitor is satisfied that any matter to be proven under this Order has been adequately proven, the Monitor may waive strict compliance with the requirements of this Order as to the completion and execution of documents;

~~10~~

[41] **DECLARES** that the Monitor, Petitioner, and the Class Action Representatives may apply to this Court for advice and direction in connection with the discharge or variation of its powers and duties under this Order;

[42] **ORDERS** the provisional execution of this Order notwithstanding appeal;

[43] **THE WHOLE** without costs.

Sherbrooke, _____

Honourable Gaetan Dumas, J.S.C.

Schedule A

(Creditors' Meeting Order)

RICHTER

CANADA
PROVINCE OF QUEBEC
DISTRICT OF ST-FRAKOIS
COURT NO. 450-11-000167-134
ESTATE NO. 0000164-2013-QC

SUPERIOR COURT
(Commercial Division)
(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act, R.S.C.
1985, c. C-36, as amended)

IN THE MATTER OF THE PLAN OF COMPROMISE
AND ARRANGEMENT OF:

MONTREAL, MAINE & ATLANTIC CANADA CO.

Debtor

- and -

RICHTER ADVISORY GROUP INC.

Monitor

-and-

GUY OUELLET, SERGE JACQUES and
LOUIS-SERGES PARENT

Court Appointed Representatives of the Class
Members

NOTICE TO THE CREDITORS OF MONTREAL, MAINE & ATLANTIC CANADA CO. (THE "DEBTOR")
OF
THE MEETING OF CREDITORS AND THE SANCTION HEARING

NOTICE is hereby given to the Creditors of the Debtor that on March 31, 2015, the Debtor filed a Plan of Compromise and Arrangement ("Plan") pursuant to the *Companies' Creditors Arrangement Act* which is to be considered at a Meeting of the Creditors on May 27, 2015, at 2:00 p.m., at the Centre Sportif Megantic, located in the city of Lac-Megantic.

NOTICE is hereby given to the Creditors of the Debtor that on March 31, 2015, the Class Representatives filed a Plan of Compromise and Arrangement (the "Class Representatives' Plan") pursuant to the *Companies' Creditors Arrangement Act* which is to be considered at a Meeting of the Creditors on May 27, 2015, at 2:00 p.m., at the Centre Sportif Megantic, located in the city of Lac-Megantic.

A copy of the Plan, the Class Representatives' Plan, Notice of the Time and Place of the Creditors' Meeting, the Claims Resolution Order, the Proxy and the Voting Letter, and related information is being mailed to Creditors who had previously filed their Proof of Claim with the Monitor, Richter Advisory Group Inc., before 5:00 p.m. (Montreal time) on June 13, 2014 or by July 14, 2014 solely for the Wrongful Death Victims ("Claims Bar Date"). All the above information is also on the Monitor's website at:
<http://www.richter.ca/en/insolvency-cases/m/montreal-maine-and-atlantic-canada-co>.

The Monitor will conduct information sessions ("Information Sessions") to explain the Plan and the Class Representatives' Plan to the Creditors and residents of Lac-Megantic on May 13, 2015 at 2:00 p.m. and on

May 20, 2015 at 6:00 p.m. at the Centre Sportif Megantic. Residents and Creditors are encouraged to attend.

A Creditors Meeting ("Meeting") will be held on May 27, 2015 at 2:00 p.m. The Creditors qualified to vote at the Meeting may accept the Plan as proposed or as altered or modified at or prior to the Meeting. If so accepted by a majority in number and representing two thirds in value of the Creditors present and voting either in person or by proxy at the Meeting, and then sanctioned by the Superior Court of Quebec ("Court"), the Plan will be binding on all the Creditors and Persons (as defined in the Plan). If Creditors qualified to vote at the Meeting do not accept the Plan in the requisite majorities, the said Creditors will proceed to consider and vote upon the Class Representatives' Plan. A condition precedent to the implementation of the Plan or the Class Representatives' Plan is the entry of the U.S. Approval Order which recognizes and enforces the Plan and its sanction by the Court and/or sanctions and approves the acceptance of the U.S. Plan of Liquidation filed by the Debtor's parent company, Montreal, Maine & Atlantic Railway Ltd.

If the Plan or the Class Representatives Plan is approved by the requisite majority of creditors, an application to seek sanction of the Plan or the Class Representatives' Plan, as the case may be, will be brought before the Court on June 9, 2015 at 10:00 a.m., in Room 1 of the Sherbrooke Courthouse, located at 375 King Street West.

Creditors should take note that the Plan and the Class Representatives' Plan provide for the complete and full release of any and all past, present and future claims and rights of action in connection with the July 6, 2013, Derailment in Lac-Megantic against the Third Party Defendants who accepted to make a contribution towards the Indemnity Fund created under the Plan to the benefit of the creditors, which contributing Third Party Defendants are identified in Schedule A to the Plan. Creditors should further take note that on June 9, 2015 the Debtor will seek an order from the Court permanently and automatically releasing, ongoing and forbidding the enforcement, prosecution, continuation and/or commencement of any such claim and rights of action in connection with the Derailment against the said contributing Third Party Defendants.

The Monitor's report on the Plan and the Class Representatives' Plan in addition to being mailed to all Creditors will be available at the Information Sessions and at the Meeting and can be found on the Monitor's website.

In addition to the Plan and the Class Representatives' Plan, the Monitor wishes to inform all Creditors, that on March 31, 2015 the Debtor's parent company Montreal Maine & Atlantic Railway Ltd. ("MMA US") filed its Plan of Liquidation and Disclosure Statement. A hearing for the approval of the Disclosure Statement is scheduled for •, 2015 at 10:30 a.m. at the Bankruptcy Court of Maine located at 537 Congress Street in Portland, Maine. A copy of the Chapter 11 Plan of Liquidation and Disclosure Statement can be found on the Monitor's website.

<http://www.richter.ca/en/insolvency-cases/m/montreal-maine-and-atlantic-canada-co>.

Dated at Montreal, this • day of • 2015.

Richter Advisory Group Inc.
Court-appointed Monitor

T. 1-886-845-8958
mmacialmserichter.ca

Richter Groupe Conseil Inc.
Richter Advisory Group Inc.
1981 McGill College
Mtl (Qc) H3A 0G6
www.richter.ca

Montreal, Toronto



2

~~An application to seek
sanction of the Plan will be~~

~~brought before the Court on
June 9, 2015 at 10:00 a.m., in
Room 1 of the Sherbrooke
Courthouse, located at 375
King Street West.~~

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Lac-11116gantic against the
Third Party Defendants who
accepted to make a
contribution towards the
Indemnity Fund created under~~

~~the Plan to the benefit of the
creditors, which contributing
Third Party Defendants are
identified in Schedule A to the
Plan. Creditors should further
take note that on June 9, 2015~~

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from the Court permanently
and automatically releasing,
ongoing and forbidding the
enforcement, prosecution,
continuation and/or~~

~~commencement of any such
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connection with the
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**Liquidation and Disclosure
Statement can be found on the
Monitor's website.**

<http://www>

[.richter.ca/](http://www.richter.ca/)

[en/insolve](http://www.richter.ca/en/insolve)

ney cases

/m/montre

al maine a

~~nd-atlantic~~

~~-canada-c~~

~~e-~~ Dated

at

~~Montreal,~~

~~this day~~

~~of 2015.~~

~~Richter Advisory Group Inc.~~

~~Court-appointed~~

Monitor Schedule

B

(Creditors' Meeting Order)

RICHTER

CANADA
PROVINCE OF QUEBEC
DISTRICT OF ST-FRANÇOIS
COURT NO. 450-11-000167-134
ESTATE NO. 0000164-2013-QC

SUPERIOR COURT
(Commercial Division)
(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act,
R.S.C. 1985, c. C-36, as amended)

IN THE MATTER OF THE PLAN OF COMPROMISE AND ARRANGEMENT OF:
MONTREAL, MAINE & ATLANTIC CANADA CO.

Petitioner

VOTING AND PROXY LETTER FOR MONTREAL, MAINE & ATLANTIC CANADA CO.

I/We, (name of creditor) _____

of (address) _____

creditor affected by the Plan of Compromise and Arrangement:

THE PLAN OF COMPROMISE AND ARRANGEMENT OF MM&A

~~CREDITORS OF MONTREAL, MAINE & ATLANTIC CANADA CO.~~

~~VOTE (Check one of the following boxes) _____ AMOUNT~~

~~U FOR the acceptance of the Plan of Compromise and Arrangement;~~

VOTE (Check one of the following boxes)

AMOUNT

☐ FOR the acceptance of the Plan of Compromise and Arrangement;

☐ AGAINST the acceptance of the Plan of Compromise and Arrangement

THE PLAN OF COMPROMISE AND ARRANGEMENT OF THE CLASS REPRESENTATIVES

VOTE (Check one of the following boxes)

AMOUNT

☐ FOR the acceptance of the Class Representatives' Plan of Compromise and Arrangement;

o **AGAINST** the acceptance of the Class Representatives' Plan of Compromise and Arrangement

DATED AT _____, this _____ day of _____, 2015.

(Name of creditor)

Signature of authorized person or its
authorized representative as per Proxy
(indicate title or function, if any)

Signature of witness

(Please print name)

(Please print name)

NOTES: (1) A creditor may vote either in person, by Voting Letter or by Proxy;
(2) A creditor cannot vote during the meeting, by Voting Letter or by Proxy unless a Proof of Claim had been submitted to the Monitor prior to 5:00 p.m., Montreal time, on June 13, 2014 or by July 14, 2014 solely for the Wrongful Death Victims or unless ordered by the Court.

T. 1-866-845-8958
mmaclaimserichter.ca

Richter Groupe Conseil Inc.
Richter Advisory Group Inc.
1981 McGill College
Mtl (Qc) H3A 006
www.richter.ca

Montreal, Toronto



PROXY FORM FOR MONTREAL, MAINE & ATLANTIC CANADA CO.

I/We, (name of creditor) _____

of (address) _____

_____, creditor

having a claim in the amount of \$ _____ affected by the Plan of Compromise and Arrangement, hereby name as my (our) authorized representative to the meeting of creditors that will be held on May 27, 2015 or at any adjournment that may be decided upon:

Check one of the following boxes:

1:1 _____, authorized representative;
(the name)

☐ Richter Advisory Group Inc., authorized representative.

Note: If a creditor has named Richter Advisory Group Inc., the Court-appointed Monitor, as his/her authorized representative, it is important to note that in the case that the creditor has not indicated his/her vote on the Voting Letter, Richter Advisory Group Inc., as authorized representative, will vote for the acceptance of the Plan of Compromise and Arrangement and the Class Representatives' Plan of Compromise and Arrangement. If no proxy is specified, the Monitor is deemed to be the Proxy.

In order to be valid, this proxy must be duly completed and signed, and returned to the Monitor prior to the commencement of the Meeting of Creditors.

Richter Advisory Group Inc.
1981 McGill College, 12th floor
Montreal, Quebec H3A 0G6

Attention: Claims Department
Facsimile: 1-800-246-1125
E-mail: mmaclaims@richter.ca

DATED AT _____, this _____ day of _____ 2015.

(Name of creditor)

Signature of authorized person
(indicate title or function, if any)

Signature of witness

(Please print name)

(Please print name)

NOTES: (1) A creditor may vote either in person, by Proxy or by Voting Letter.

(2) A creditor cannot vote at the meeting, whether by Proxy or by Voting Letter unless a Proof of Claim had been submitted to the Monitor prior to 5:00 p.m., Montreal time, on June 13, 2014 or by July 14, 2014 solely for the Wrongful Death Victims or unless ordered by the Court.

(3) In order for a duly authorized person to have the right to vote, he/she must himself/herself be a creditor or be an authorized representative designated by a Proxy duly signed. The name of the creditor must appear in the Proxy.

Your presence will not be necessary at the meeting if you have completed and remitted this Proxy or the Voting Letter before the beginning of the meeting.

This Proxy confers discretionary authority upon the person designated herein to vote on any amendment or variation to the Plan of Compromise and Arrangement.

A creditor may not appoint its debtor as authorized representative by Proxy to vote at any meeting of creditors.

A creditor who gives a Proxy may revoke it by way of a document signed by him/her or his/her duly authorized Agent. The cancellation must be transmitted to the Monitor no later than the last working day prior to the meeting.

Document comparison by Workshare Compare on Monday, April 13, 2015 8:17:39 PM

Input:	
Document 1 ID	interwovenSite://PRS-IMAN2/PRiManage/1415088/1
Description	#1415088v1<PRiManage> - MMA, Original MMA Form of Meeting Order
Document 2 ID	interwovenSite://prs-iman2/PRiManage/1415076/1
Description	#1415076v1<PRiManage> - MMA, Draft Meeting Order ACTUAL
Rendering set	standard

Legend:	
Insertion	
Deletion	
Moved from	
Moved to	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	105
Deletions	91
Moved from	13
Moved to	13
Style change	0
Format changed	0
Total changes	222

**SUPERIOR COURT
(Commercial Division)**

**CANADA
PROVINCE OF QUEBEC
DISTRICT OF ST-FRANCOIS**

No: 450-11-000167-134

DATE:

PRESENT: THE HONOURABLE GAETAN DUMAS, J.S.C.

IN THE MATTER OF THE PLAN OF COMPROMISE OF:

**MONTREAL, MAINE & ATLANTIC CANADA CO. (MONTREAL, MAINE & ATLANTIQUE
CANADA CIE)**
Debtor/Petitioner

-and-

RICHTER ADVISORY GROUP INC. (RICHTER GROUPE CONSEIL INC.)
Monitor

GUY OUELLET, SERGE JACQUES and LOUIS-SERGES PARENT
Court Appointed Representatives of the Class Members

CREDITORS' MEETING ORDER

SEEING the Class Representatives' Motion for an order accepting the filing of an amended plan and for advice and directions pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "CCAA") and the submissions of counsel to the Class Representatives, the Petitioner, the Monitor and other interested parties;

GIVEN the provisions of the Initial Order granted by this Court on August 8, 2013, as amended thereafter, and the Claims Procedure Order granted by this Court on April 4, 2014 and amended on June 13, 2014;

GIVEN the provisions of the CCAA;

WHEREFORE, THE COURT:

[1] **GRANTS** the Motion;

Service

[2] **DECLARES** that the notices given for the presentation of the Motion are proper and sufficient;

Definitions

[3] **ORDERS** that capitalized terms used herein and not otherwise defined have the meaning ascribed to them in the Plan and that the following terms in this Order shall have the following meanings ascribed thereto:

- (a) **"Chair** has the meaning ascribed to it in paragraph 20 hereof;
- (b) **"Class Representative"** means the court-appointed representatives of the class members pursuant to the Representation Order ;
- (c) **"Class Representatives' Plan"** means the Amended plan of compromise and arrangement filed by the Class Representatives on or around April 14, 2015 pursuant to the provisions of the CCAA, as it may be amended, varied or supplemented from time to time in accordance with its terms;
- (d) **"Claims Bar Date"** means 5:00 p.m. (Montreal time) on July 14, 2014 with respect to Wrongful Death Claims and 5:00 p.m. (Montreal Time) on June 13, 2014 with respect to all the other Creditors;
- (e) **"Claims Procedure Order"** means the Amended Claims Procedure Order rendered on June 13, 2014, in the CCAA Proceeding by the CCAA Court, establishing, among other things, a claims procedure in respect of Petitioner, as such Order may be amended, restated or varied from time to time;
- (f) **"Creditors"** means collectively all Persons having filed a Proof of Claim and **"Creditor"** means any one of them;
- (g) **"Creditors' Meeting"** means the meeting of Creditors to be held on the Meeting Date for the purposes of considering and voting on the Plan and the Class Representatives' Plan;
- (h) **"Determination Date"** means August 8, 2013;
- (i) **"Designated Newspapers"** means La Presse, L'Echo de Frontenac, La Tribune, The Sherbrooke Record and the Montreal Gazette;
- (j) **"Meeting Date"** means May 27, 2015 subject to any adjournment, postponement or other rescheduling or further order of this Court;
- (k) **"Meeting Materials"** shall have the meaning ascribed to such term in paragraph 25;
- (l) **"Monitor's Website"** means <http://vwww.richter.ca/en/insolvency-cases/m/montreal-maine-and-atlantic-canada-co;>

- (m) **"Motion"** has the meaning ascribed to it in the preamble of this Creditor's Meeting Order;
- (n) **"Notice to Creditors"** means a notice of this Order and of the Creditors Meetings setting out the Meeting Date, substantially in the form attached hereto as **Schedule A**;
- (o) **"Plan"** means the plan of compromise and arrangement filed on March 31, 2015 pursuant to the provisions of the CCAA, as it may be amended, varied or supplemented from time to time in accordance with its terms;
- (p) **"Proofs of Claim"** means the form of proofs of claim filed by Creditors before the Claims Bar Date in accordance with the Claims Procedure Order or otherwise accepted for filing pursuant to further order of this Court. Individually, each is a "Proof of Claim";
- (q) **"Protective Proof of Claim"** means the Proof of Claim filed by the Class Representatives on behalf of the holders of Wrongful Death Claims in accordance with paragraph 6 of the Claims Procedure Order;
- (r) **"Proxy"** means a proxy substantially in the form of Schedule B hereto or as otherwise accepted by the Monitor or approved by this Court;
- (s) **"Publication Date"** means the date on which the publication of the Newspaper Notice in all of the Designated Newspapers has been completed;
- (t) **"Representation Order"** means the Representation Order issued by this Court on April 4, 2014;
- (u) **"Sanction Hearing"** has the meaning ascribed to it in paragraph 33 hereof;
- (v) **"Service List"** means the service list posted on the Monitor's Website;
- (w) **"Voting Claim(s)"** has the meaning ascribed thereto in paragraph 7 hereof;
- (x) **"Voting Claim Categories"** are the Wrongful Death Claims, Bodily Injury and Moral Damages Claims, Property and Economic Damages Claims, Subrogated Insurer Claims, Government Claims, and Non-Derailment Claims. Individually, each is a **"Voting Claim Category"**;
- (y) **"Voting Creditor"** means a Creditor that holds a Voting Claim;

Interpretation

- [4] **DECLARES** that where the context requires, a word or words importing the singular shall include the plural and vice versa;

CCAA Plan

- [5] **ORDERS** that:

- (a) the Plan and the Class Representatives' Plan are hereby accepted for filing; and
- (b) Petitioner shall seek approval of the Plan and the Class Representatives' Plan in the manner set forth herein;

- [6] **ORDERS** that Petitioner and the Class Representatives, in consultation with the Monitor, are hereby authorized to file any modification of, or amendment, variation or supplement

to, the Plan and the Class Representatives' Plan, respectively (each a "Plan Modification"), prior to the Meeting Date or at or before any Creditors' Meeting, in which case any such Plan Modification shall, for all purposes, be and be deemed to form part of and be incorporated into the Plan or the Class Representatives' Plan, as the case may be. Petitioner and the Class Representatives shall give notice of any such Plan Modification at the Creditors' Meeting prior to the vote being taken to approve the Plan. Petitioner and the Class Representatives may give notice of any such Plan Modification at or before the Creditors' Meeting by notice which shall be sufficient if, in the case of notice at the Creditors' Meeting, given to those Voting Creditors present at such meeting in person or by Proxy. The Monitor shall post on the Monitor's Website, as soon as possible, any such Plan Modification, with notice of such posting forthwith provided to the Service List;

Value of Claims for Voting Purposes

- [7] **ORDERS** that each Voting Creditor shall be entitled to vote and, for voting purposes:
- (a) Wrongful Death Claims shall, in the aggregate, represent no more than 22.2% (\$200,000,000.00) in value of all votes cast by Creditors;
 - (b) Bodily Injury and Moral Damages Claims shall, in the aggregate, represent no more than 11.1% (\$100,000,000.00) in value of all votes cast by Creditors;
 - (c) Property and Economic Damages Claims shall, in the aggregate, represent no more than 8.3% in value of all votes cast by Creditors (\$75,000,000.00);
 - (d) Subrogated Insurer Claims shall, in the aggregate, represent no more than 3.8% (\$33,701,330.00) in value of all votes cast by Creditors;
 - (e) Government Claims shall, in the aggregate, represent no more than 48.5% (\$435,626,775.00) in value of all votes cast by Creditors;
 - (f) Non-Derailment Claims shall, in the aggregate, represent no more than 6.1% (\$55,046,528.00) in value of all votes cast by Creditors;
- [8] **ORDERS** that each vote within its given Voting Claim Category, subject to the maximum total value attributed to such Voting Claim Category under the Plan or the Class Representatives' Plan and as set forth in paragraph 7 hereof, will be valued at an amount that is proportional to the face value of the corresponding Proof of Claim versus the face value of all Proofs of Claim filed in a given Voting Claim Category, the whole in accordance with the following formula:

$$\frac{\text{Face value of the Creditor's Proof of Claim}}{\text{Aggregate face value of all Proofs of Claim in the relevant Voting Claim Category}} \times \text{Maximum total value attributed to relevant Voting Claim Category as set forth in paragraph 7 hereof} = \text{Value of the Creditor's Voting Claim}$$

Creditors' Meeting

- [9] **DECLARES** that the Monitor is hereby authorized to call, hold and conduct the Creditors' Meeting at the Centre Sportif Megantic in the City of Lac-Megantic, Quebec, for the purpose of considering and, if appropriate, approving the Plan, unless the Creditors decide by resolution carried by the majority of votes (one vote for every Voting Claim, to be valued in accordance with paragraphs 7 and 8 hereof) to adjourn the Creditors' Meeting to a later date;

- [10] **DECLARES** that if the Plan is not approved by the requisite majority of creditors, the Monitor shall continue the Creditors' Meeting to consider and vote on the Class Representatives' Plan.
- [11] **DECLARES** that the only Persons entitled to attend and speak at the Creditors' Meeting are Voting Creditors, their legal representatives and their proxy holders, representatives of the Petitioner, representatives of the Monitor, the Chair (as defined below) and their respective legal and financial advisors. Any other Person may be admitted to the Creditors' Meeting on invitation of the Chair;
- [12] **ORDERS** that any proxy which any Creditor wishes to submit in respect of the Creditors' Meeting (or any adjournment thereof) must be substantially in the form attached hereto as Schedule B (or in such other form acceptable to the Monitor or the Chair or the court) and be received by the Monitor before the beginning of the Creditors' Meeting;
- [13] **DECLARES** that the quorum required at the Creditors' Meeting shall be one Creditor present at such meeting in person or by proxy. If the requisite quorum is not present at the Creditors' Meeting, then the Creditors' Meeting shall be adjourned by the Chair to such time and place as the Chair deems necessary or desirable;
- [14] **DECLARES** that the only Persons entitled to vote at the Creditors' Meeting shall be:
- (a) Subject to subparagraph (b), Voting Creditors and their proxy holders;
 - (b) Class Representatives on behalf of Class Members (as defined in the Representation Order) who qualify as Voting Creditors, except for those Class Members having opted out of class representation pursuant to the Representation Order within the prescribed delay;
- [15] **ORDERS** that Creditors eligible to file Bodily Injury and Moral Damages Claims, as well as Property and Economic Damages Claims, in the CCAA Proceeding but that opted to only file their proofs of claim in the Bankruptcy Case shall be deemed, for voting and distribution purposes only, to have filed said proofs of claim in the CCAA Proceeding (the "**Deemed Filing**");
- [16] **ORDERS** that, should any Deemed Filing proof of claim be subject to dispute, such dispute would be resolved within the scope of the Bankruptcy Case, where the holders of such Deemed Filing proofs of claim opted to file same;
- [17] **ORDERS** that the Protective Proof of Claim shall be admitted for voting purposes, subject to paragraphs 7 and 8 hereof, and the votes of Creditors benefiting therefrom shall be cast by the Class Representatives, except for those Creditors having opted out of class representation pursuant to the Representation Order within the prescribed delay. Said creditors may vote individually or by proxy based on the value attributed to their claim in the Protective Proof of Claim, the whole subject to paragraphs 7 and 8 hereof;
- [18] **DECLARES** that a Voting Claim shall not include fractional numbers and Voting Claims shall be rounded down to the nearest whole Canadian dollar amount;
- [19] **ORDERS** that the results of any and all votes conducted at the Creditors' Meeting shall

be binding on all Creditors, whether or not any such Creditor is present or voting at the Creditors' Meeting;

- [20] **ORDERS** that the Monitor shall preside as the chair of the Creditors' Meeting (the "Chair") and, subject to any further order of this Court, shall decide all matters relating to the conduct of the Creditors' Meeting. Petitioner and any Creditor may appeal from any decision of the Chair to the Court, within five (5) Business Days of any such decision;
- [21] **DECLARES** that, at the Creditors' Meeting, the Chair is authorized to direct a vote with respect to the Plan and. If the Plan is not approved by the requisite majorities of Creditors, the Class Representatives' Plan and any amendments, variations or supplements thereto as the Petitioner or the Class Representatives may respectively consider appropriate;
- [22] **ORDERS** that the Monitor may appoint scrutineers for the supervision and tabulation of the attendance, quorum and votes cast at the Creditors' Meeting. A Person designated by the Monitor shall act as secretary at the Creditors' Meeting;
- [23] **ORDERS** that any resolution to be voted on at the Creditors' Meeting to approve, amend, vary or supplement the Plan or the Class Representatives' Plan, will be decided by the majority of votes representing two-thirds (2/3) in value (one vote for every Voting Claim, to be valued in accordance with paragraphs 7 and 8 hereof) on a vote by ballot, and that any other matter submitted for a vote at the Creditors' Meeting shall be decided by a majority of votes cast on a vote by a show of hands, unless the Chair decides, in his or her sole and absolute discretion, to hold such vote by way of ballot;

Notification Procedure

- [24] **ORDERS** that the Notice to Creditors, which is hereby approved, shall be published twice by the Monitor in the Designated Newspapers as soon as possible following the issuance of this Order, but in any event no later than May 2, 2015;
- [25] **ORDERS** that, on or before 5:00 p.m. Montreal time on April 30, 2015, the Monitor shall publish on the Monitor's Website and send to the Service List the following documents (collectively, the "Meeting Materials"):
- (a) the Notice to Creditors (in English and French);
 - (b) the Plan (in English and French);
 - (c) the Class Representatives' Plan (in English and French);
 - (d) a copy of the form of voting letter and Proxy (in English and French) for Creditors not represented by the Class Representatives, substantially in the form attached hereto as Schedule B; and
 - (e) the Monitor's report on the Plan and the Class Representatives' Plan (in English and French);
 - (f) the Chapter 11 Plan of Liquidation and Disclosure Statement filed in the Bankruptcy Case;
 - (g) a copy of the present Order (in French and English);
- [26] **ORDERS** that Petitioner is hereby authorized to make such modifications, amendments or supplements ("**Additional Information**") to the Meeting Materials (other than the Plan or Class Representatives' Plan which may be modified, amended or supplemented solely in accordance with paragraph 6 hereof) as the Petitioner may determine, and the Petitioner shall distribute or make available such Additional Information by one or more of the following methods determined

in its discretion in consultation with the Monitor: (i) posting on the Monitor's Website; (ii) news release; (iii) newspaper advertisement; (iv) pre-paid regular mail, email, fax or delivery (in person or by courier); (v) except for Proxies, distribution at the Creditors' Meetings; or (vi) such other reasonably practicable method in the circumstances.

[27] ORDERS that, in addition to the publications referred to in paragraphs 24 and 25 hereof, the Monitor shall send the following to all known Creditors, by prepaid regular mail, courier, fax or email, at the address appearing on a Creditor's Proof of Claim by no later than 5:00 p.m. (Montreal time) on or about May 6, 2015:

- (a) a copy of the Notice to Creditors (in English and French);
- (b) the Plan (in English and French);
- (c) the Class Representatives' Plan (in English and French)
- (d) a copy of the form of voting letter and Proxy (in English and French) for Creditors not represented by the Class Representatives, substantially in the form attached hereto as Schedule B;
- (e) the Monitor's report on the Plan and Class Representatives' Plan (in English and French)
- (f) a copy of the present Order (in English and French);
- (g) a letter advising that a copy of the Chapter 11 Plan of Liquidation and Disclosure Statement filed in the Bankruptcy Case may be obtained from the Monitor's Website;

[28] ORDERS that publication of a copy of the Notice to Creditors in the manner set out in paragraph 24, and publication of the Meeting Materials in accordance with paragraph 25 hereof, shall constitute good and sufficient service of the Meeting Materials on all Persons who may be entitled to receive notice thereof, or of these proceedings, or who may wish to be present in person or by proxy at the Creditors' Meeting, or who may wish to appear in these proceedings, and no other form of notice or service need be made on such Persons, and no other document or material need be served on such Persons in respect of these proceedings;

[29] ORDERS that if the holder of a Claim or any subsequent holder of the whole of a Claim who has been acknowledged by the Monitor as the Creditor in respect of such Claim, transfers or assigns the whole of such Claim to more than one Person or part of such Claim to another Person or Persons, such transfer or assignment shall not create a separate Claim or Claims and such Claim shall continue to constitute and be dealt with as a single Claim notwithstanding such transfer or assignment, and the Monitor and the Petitioner shall in each such case not be bound to recognize or acknowledge any such transfer or assignment and shall be entitled to give notices to and to otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim in whole as the Creditor in respect of such Claim, provided such Creditor may by notice in writing to the Monitor direct that subsequent dealings in respect of such Claim, but only as a whole, shall be with a specified Person and in such event, such Creditor, such transferee or assignee of the Claim as a whole shall be bound by any notices given or steps taken in respect of such Claim with such Person in accordance with this Order;

Notices and Communications

[30] ORDERS that any notice or other communication to be given under this Order by a Creditor to the Monitor, the Petitioner, or the Class Representatives shall be in writing in substantially the form provided for in this Order and will be sufficiently given only if given by mail, telecopier, courier or email addressed to:

(a) If to the Petitioner

Montreal Maine & Atlantic Canada Co.
C/o Gowling Lafleur Henderson LLP
3700 — 1 Place Ville Marie
Montreal, Quebec H3B 3P4

Attention: Me Patrice Benoit (patrice.benoit@gowlings.com)
Attention : Me Pierre Legault (pierre.legault@gowlings.com)
Fax : 514-876-9550

(b) If to the Monitor:

Richter Advisory Group
1981 McGill College Avenue, 11th Floor
Montreal, Quebec H3A 0G6
Attention: Mr. Gilles Robillard (grobillard@richter.ca)
Attention: Mr. Andrew Adessky (aadessky@richter.ca)
Fax: 514-934-3504

with a copy by email or fax (which shall not be deemed notice) to:

Attention: Me Sylvain Vauclair (svauclair@woods.qc.ca)
Fax: 514-284-2046

(c) If to the Class Representatives:

Daniel Larochelle (info@daniellarochelle.com)
5031, boul. des Vétérans,
Lac-Mégantic, Québec
G6B 2G4
Fax: 819.583.5959

- [31] ORDERS** that any document sent by the Monitor pursuant to this Order may be sent by e-mail, ordinary mail, registered mail, courier or facsimile transmission. A Creditor shall be deemed to have received any document sent pursuant to this Order two (2) Business Days after the document is sent by mail and one (1) Business Day after the document is sent by courier, e-mail or facsimile transmission. Documents shall not be sent by ordinary or registered mail during a postal strike or work stoppage of general application;

Sanction Hearing

- [32] ORDERS** that the Monitor shall report to this Court no later than three (3) Business Days after the Creditors' Meeting with respect to:

- (a) the results of the voting to approve the Plan and if necessary, the Class Representatives' Plan;
- (b) any other matter which the Monitor considers relevant in view of the Sanction Hearing;

- [33] ORDERS** that, subject to further order of this Court, if the Plan has been accepted in accordance with the terms of this Order, the Petitioner shall bring a motion presentable before this Court on June 9, 2015 (the "**Sanction Hearing**"), seeking an order approving and sanctioning the Plan (the "**Canadian Approval Order**");

- [34] **ORDERS** that a copy of the Petitioner's motion seeking the Canadian Approval Order be published on the Monitor's Website as soon as it is filed with this Court;
- [35] **ORDERS** that the Petitioner shall serve the motion seeking the Canadian Approval Order on the Service List no later than four (4) Business Days after the Creditors' Meeting and that such service should constitute good and sufficient service for the purpose of the Sanction Hearing upon all Persons entitled to receive such service;
- [36] **ORDERS** that, subject to further order of this Court, if the Class Representatives' Plan has been accepted in accordance with the terms of this Order, the Class Representatives shall bring a motion presentable before this Court on June 9, 2015, seeking a Canadian Approval Order;
- [37] **ORDERS** that a copy of the Class Representatives' motion seeking the Canadian Approval Order be published on the Monitor's Website as soon as it is filed with this Court;
- [38] **ORDERS** that the Class Representatives shall serve the motion seeking the Canadian Approval Order on the Service List no later than four (4) Business Days after the Creditors' Meeting and that such service should constitute good and sufficient service for the purpose of the Sanction Hearing upon all Persons entitled to receive such service;
- [39] **ORDERS** that any Person intending to object to the motion seeking the Canadian Approval Order shall file with this Court a written notice containing a description of its proposed grounds of contestation and shall effect service of same upon counsel to the Petitioner and the Monitor, and upon those Persons listed on the Service List, the whole no later than 4:30 p.m. (Montreal Time) three (3) Business Days after the service of the motion seeking the Canadian Approval Order;
- [40] **ORDERS** that in the event that the Sanction Hearing is adjourned, postponed or otherwise rescheduled, only those Persons listed on the Service List are required to be served with notice of the adjourned, postponed or otherwise rescheduled date;

Aid and Assistance of Other Courts

- [41] **REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province or any court or any judicial, regulatory or administrative body of the United States and of any other nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this Order;

General Provisions

- [42] **ORDERS** that for the purposes of this Order, all Claims that are denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada noon spot rate of exchange for exchanging currency to Canadian dollars on the Determination Date;
- [43] **ORDERS** that the Monitor shall use reasonable discretion as to the adequacy of completion and execution of any document completed and executed pursuant to this Order and, where the Monitor is satisfied that any matter to be proven under this Order has been adequately proven, the Monitor may waive strict compliance with the requirements of this Order as to the completion and execution of documents;
- [41] **DECLARES** that the Monitor, Petitioner, and the Class Action Representatives may apply to this Court for advice and direction in connection with the discharge or variation of its powers and duties under this Order;

[42] ORDERS the provisional execution of this Order notwithstanding appeal;

[43] THE WHOLE without costs.

Sherbrooke, _____

Honourable Gaetan Dumas, J.S.C.

Schedule A

(Creditors' Meeting Order)

RICHTER

CANADA
PROVINCE OF QUEBEC
DISTRICT OF ST-FRAKOIS
COURT NO. 450-11-000167-134
ESTATE NO. 0000164-2013-QC

SUPERIOR COURT
(Commercial Division)
(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act, R.S.C.
1985, c. C-36, as amended)

IN THE MATTER OF THE PLAN OF COMPROMISE
AND ARRANGEMENT OF:

MONTREAL, MAINE & ATLANTIC CANADA CO.

Debtor

- and -

RICHTER ADVISORY GROUP INC.

Monitor

-and-

GUY OUELLET, SERGE JACQUES and LOUIS-
SERGES PARENT

Court Appointed Representatives of the Class
Members

NOTICE TO THE CREDITORS OF MONTREAL, MAINE & ATLANTIC CANADA CO. (THE "DEBTOR")
OF
THE MEETING OF CREDITORS AND THE SANCTION HEARING

NOTICE is hereby given to the Creditors of the Debtor that on March 31, 2015, the Debtor filed a Plan of Compromise and Arrangement ("Plan") pursuant to the *Companies' Creditors Arrangement Act* which is to be considered at a Meeting of the Creditors on May 27, 2015, at 2:00 p.m., at the Centre Sportif Megantic, located in the city of Lac-Megantic.

NOTICE is hereby given to the Creditors of the Debtor that on March 31, 2015, the Class Representatives filed a Plan of Compromise and Arrangement (the "Class Representatives' Plan") pursuant to the *Companies' Creditors Arrangement Act* which is to be considered at a Meeting of the Creditors on May 27, 2015, at 2:00 p.m., at the Centre Sportif Megantic, located in the city of Lac-Megantic.

A copy of the Plan, the Class Representatives' Plan, Notice of the Time and Place of the Creditors' Meeting, the Claims Resolution Order, the Proxy and the Voting Letter, and related information is being mailed to Creditors who had previously filed their Proof of Claim with the Monitor, Richter Advisory Group Inc., before 5:00 p.m. (Montreal time) on June 13, 2014 or by July 14, 2014 solely for the Wrongful Death Victims ("Claims Bar Date"). All the above information is also on the Monitor's website at:
<http://www.richter.ca/en/insolvency-cases/m/montreal-maine-and-atlantic-canada-co>.

The Monitor will conduct information sessions ("Information Sessions") to explain the Plan and the Class Representatives' Plan to the Creditors and residents of Lac-Megantic on May 13, 2015 at 2:00 p.m. and

on May 20, 2015 at 6:00 p.m. at the Centre Sportif Megantic. Residents and Creditors are encouraged to attend.

A Creditors Meeting ("Meeting") will be held on May 27, 2015 at 2:00 p.m. The Creditors qualified to vote at the Meeting may accept the Plan as proposed or as altered or modified at or prior to the Meeting. If so accepted by a majority in number and representing two thirds in value of the Creditors present and voting either in person or by proxy at the Meeting, and then sanctioned by the Superior Court of Quebec ("Court"), the Plan will be binding on all the Creditors and Persons (as defined in the Plan). If Creditors qualified to vote at the Meeting do not accept the Plan in the requisite majorities, the said Creditors will proceed to consider and vote upon the Class Representatives' Plan. A condition precedent to the implementation of the Plan or the Class Representatives' Plan is the entry of the U.S. Approval Order which recognizes and enforces the Plan and its sanction by the Court and/or sanctions and approves the acceptance of the U.S. Plan of Liquidation filed by the Debtor's parent company, Montreal, Maine & Atlantic Railway Ltd.

If the Plan or the Class Representatives Plan is approved by the requisite majority of creditors, an application to seek sanction of the Plan or the Class Representatives' Plan, as the case may be, will be brought before the Court on June 9, 2015 at 10:00 a.m., in Room 1 of the Sherbrooke Courthouse, located at 375 King Street West.

Creditors should take note that the Plan and the Class Representatives' Plan provide for the complete and full release of any and all past, present and future claims and rights of action in connection with the July 6, 2013, Derailment in Lac-Megantic against the Third Party Defendants who accepted to make a contribution towards the Indemnity Fund created under the Plan to the benefit of the creditors, which contributing Third Party Defendants are identified in Schedule A to the Plan. Creditors should further take note that on June 9, 2015 the Debtor will seek an order from the Court permanently and automatically releasing, ongoing and forbidding the enforcement, prosecution, continuation and/or commencement of any such claim and rights of action in connection with the Derailment against the said contributing Third Party Defendants.

The Monitor's report on the Plan and the Class Representatives' Plan in addition to being mailed to all Creditors will be available at the Information Sessions and at the Meeting and can be found on the Monitor's website.

In addition to the Plan and the Class Representatives' Plan, the Monitor wishes to inform all Creditors, that on March 31, 2015 the Debtor's parent company Montreal Maine & Atlantic Railway Ltd. ("MMA US") filed its Plan of Liquidation and Disclosure Statement. A hearing for the approval of the Disclosure Statement is scheduled for •, 2015 at 10:30 a.m. at the Bankruptcy Court of Maine located at 537 Congress Street in Portland, Maine. A copy of the Chapter 11 Plan of Liquidation and Disclosure Statement can be found on the Monitor's website.

<http://www.richter.ca/en/insolvency-cases/m/montreal-maine-and-atlantic-canada-co.>

Dated at Montreal, this • day of • 2015.

Richter Advisory Group Inc.
Court-appointed Monitor

T. 1-886-845-8958
mmacialmserichter.ca

Richter Groupe Conseil Inc.
Richter Advisory Group Inc.
1981 McGill College
Mtl (Qc) H3A 0G6
www.richter.ca

Montreal,



Schedule B

(Creditors' Meeting Order)

RICHTER

CANADA
PROVINCE OF QUEBEC
DISTRICT OF ST-FRANÇOIS
COURT NO. 450-11-000167-134
ESTATE NO. 0000164-2013-QC

SUPERIOR COURT
(Commercial Division)
(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act,
R.S.C. 1985, c. C-36, as amended)

IN THE MATTER OF THE PLAN OF COMPROMISE AND ARRANGEMENT OF:
MONTREAL, MAINE & ATLANTIC CANADA CO.

Petitioner

VOTING AND PROXY LETTER FOR MONTREAL, MAINE & ATLANTIC CANADA CO.

I/We, (name of creditor) _____

of (address) _____

creditor affected by the Plan of Compromise and Arrangement:

THE PLAN OF COMPROMISE AND ARRANGEMENT OF MM&A	
VOTE (Check one of the following boxes)	AMOUNT
<input type="radio"/> FOR the acceptance of the Plan of Compromise and Arrangement;	
<input type="radio"/> AGAINST the acceptance of the Plan of Compromise and Arrangement	

THE PLAN OF COMPROMISE AND ARRANGEMENT OF THE CLASS REPRESENTATIVES	
VOTE (Check one of the following boxes)	AMOUNT
<input type="radio"/> FOR the acceptance of the Class Representatives' Plan of Compromise and Arrangement;	
<input type="radio"/> AGAINST the acceptance of the Class Representatives' Plan of Compromise and Arrangement	

DATED AT _____, this _____ day of _____, 2015.

(Name of creditor)

Signature of authorized person or its
authorized representative as per Proxy
(indicate title or function, if any)

Signature of witness

(Please print name)

(Please print name)

NOTES: (1) A creditor may vote either in person, by Voting Letter or by Proxy;
(2) A creditor cannot vote during the meeting, by Voting Letter or by Proxy unless a Proof of Claim had been submitted to the Monitor prior to 5:00 p.m., Montreal time, on June 13, 2014 or by July 14, 2014 solely for the Wrongful Death Victims or unless ordered by the Court.

T. 1-866-845-8958
mmaclaimserichter.ca

Richter Groupe Conseil Inc.
Richter Advisory Group Inc.
1981 McGill College
Mtl (Qc) H3A 006
www.richter.ca

Montreal, Toronto



PROXY FORM FOR MONTREAL, MAINE & ATLANTIC CANADA CO.

I/We, (name of creditor) _____

of (address) _____

_____, creditor

having a claim in the amount of \$ _____ affected by the Plan of Compromise and Arrangement, hereby name as my (our) authorized representative to the meeting of creditors that will be held on May 27, 2015 or at any adjournment that may be decided upon:

Check one of the following boxes:

1:1 _____, authorized representative;
(the name)

☐ Richter Advisory Group Inc., authorized representative.

Note: If a creditor has named Richter Advisory Group Inc., the Court-appointed Monitor, as his/her authorized representative, it is important to note that in the case that the creditor has not indicated his/her vote on the Voting Letter, Richter Advisory Group Inc., as authorized representative, will vote for the acceptance of the Plan of Compromise and Arrangement and the Class Representatives' Plan of Compromise and Arrangement. If no proxy is specified, the Monitor is deemed to be the Proxy.

In order to be valid, this proxy must be duly completed and signed, and returned to the Monitor prior to the commencement of the Meeting of Creditors.

Richter Advisory Group Inc.
1981 McGill College, 12th floor
Montreal, Quebec H3A 0G6

Attention: Claims Department
Facsimile: 1-800-246-1125
E-mail: mmaclaims@richter.ca

DATED AT _____, this _____ day of _____ 2015.

(Name of creditor)

Signature of authorized person
(indicate title or function, if any)

Signature of witness

(Please print name)

(Please print name)

- NOTES: (1) A creditor may vote either in person, by Proxy or by Voting Letter.
(2) A creditor cannot vote at the meeting, whether by Proxy or by Voting Letter unless a Proof of Claim had been submitted to the Monitor prior to 5:00 p.m., Montreal time, on June 13, 2014 or by July 14, 2014 solely for the Wrongful Death Victims or unless ordered by the Court.
(3) In order for a duly authorized person to have the right to vote, he/she must himself/herself be a creditor or be an authorized representative designated by a Proxy duly signed. The name of the creditor must appear in the Proxy.

Your presence will not be necessary at the meeting if you have completed and remitted this Proxy or the Voting Letter before the beginning of the meeting.

This Proxy confers discretionary authority upon the person designated herein to vote on any amendment or variation to the Plan of Compromise and Arrangement.

A creditor may not appoint its debtor as authorized representative by Proxy to vote at any meeting of creditors.

A creditor who gives a Proxy may revoke it by way of a document signed by him/her or his/her duly authorized Agent. The cancellation must be transmitted to the Monitor no later than the last working day prior to the meeting.

EXHIBIT R-3

Court File No. 450-11-000167-134

SUPERIOR COURT
(COMMERCIAL DIVISION)

SITTING AS A COURT DESIGNATED PURSUANT TO THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, R.S.C. C. C 36, AS AMENDED)

IN THE MATTER OF THE PLAN OF COMPROMISE AND ARRANGEMENT OF:

**MONTREAL, MAINE & ATLANTIC CANADA CO. (MONTREAL, MAINE & ATLANTIQUE
CANADA CIE)**

PETITIONER

AND

RICHTER ADVISORY GROUP INC. (RICHTER GROUPE CONSEIL INC.)

MONITOR

PLAN OF COMPROMISE AND ARRANGEMENT

pursuant to the *Companies' Creditors Arrangement Act*
concerning, affecting and involving

MONTREAL, MAINE & ATLANTIC CANADA CO.

AS AMENDED BY THE CLASS REPRESENTATIVES

~~March 31,~~ April 14, 2015

TABLE OF CONTENTS

1.1	Defined Terms	6
1.2	Certain Rules of Interpretation	14
1.3	Currency	15
1.4	Successors and Assigns	15
1.5	Governing Law.....	15
1.6	Schedules.....	15
2.1	Purpose	16
3.1	Class of Creditors	16
3.2	Claims Procedure	17
3.3	Unaffected Claims.....	17
3.4	Treatment of Creditors	18
3.5	Voting Rights for Creditors	19
3.6	Interest.....	20
3.7	Duplicate Claims	20
4.1	Contributions to the Indemnity Fund.....	20
4.2	Distribution to Creditors.....	20
4.3	Additional Distributions to Creditors	22
4.4	Timing of Distributions to Creditors	22
4.5	Delivery of Distributions to Creditors	23
4.6	Allocation of Distributions.....	24
4.7	Transfer of Claims; Record Date for Distributions	24
5.1	Plan Releases and Injunctions	25
5.2	Timing of Releases and Injunctions	25
5.3	Claims against Third Party Defendants	26

6.1	Conditions Precedent to Implementation of Plan.....	26
6.2	Monitor’s Certificate	27
6.3	Termination of Plan for Failure to Become Effective.....	27
7.1	Administration Charge and Administration Charge Reserve.....	27
8.1	Binding Effect.....	28
8.2	Deeming Provisions	28
8.3	Non-Consummation	28 <u>29</u>
8.4	Plan Amendment	28 <u>29</u>
8.5	Severability	29
8.6	Paramountcy.....	30
8.7	Responsibilities of the Monitor	30
8.8	Unclaimed Distributions	30
8.9	Notices.....	31
8.10	Further Assurances.....	32
8.11	No Preference.....	32
8.12	No Admission.....	32

Schedule "A"	List of Released Parties
Schedule "B"	Settlement Agreements
Schedule "C"	Draft Canadian Approval Order
Schedule "D"	List of Existing Agreements
Schedule "E"	Distribution mechanism with respect to the Wrongful Death Claims
Schedule "F"	Distribution mechanism with respect to the Bodily Injury and Moral Damages Claims
Schedule "G"	Distribution mechanism with respect to the property and Economic Damages Claims
Schedule "H"	XL Settlement Agreement
<u>Schedule "I"</u>	<u>Economic Revitalization Plan</u>

PLAN OF COMPROMISE AND ARRANGEMENT
(THE CAPITALIZED TERMS USED IN THIS DOCUMENT HAVE THE MEANING ASCRIBED
THERE TO IN SECTION 1.1 HEREOF)

WHEREAS on July 6, 2013, a train operated by MMAC derailed in the city of Lac-Mégantic, Quebec, Canada, causing numerous fatalities, bodily injuries, psychological and moral damages to thousands of people, and extensive property and environmental damages;

WHEREAS as a result of the numerous claims against MMAC and its parent company, MMA, arising out of the Derailment, along with the ensuing operational and financial impact arising therefrom, MMAC and MMA became insolvent;

WHEREAS numerous claims arising out of the Derailment have also been made against other persons and entities, including the Released Parties in both Canada and the United States of America;

WHEREAS on August 7, 2013, MMA filed a voluntary petition in the Bankruptcy Court for relief under Chapter 11 of the U.S. Bankruptcy Code;

WHEREAS on August 8, 2013, the Honourable Justice Castonguay of the CCAA Court granted an initial order in respect of MMAC (the “**Initial Order**”) pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”);

WHEREAS on August 21, 2013, the United States Trustee appointed the Trustee having full rights and power under the Bankruptcy Code to act for and on behalf of MMA;

WHEREAS on September 4, 2013, the CCAA Court and the Bankruptcy Court adopted the Cross-Border Insolvency Protocol entered into between MMAC, the Monitor and the Trustee, the purpose of which is, *inter alia*, to facilitate the fair, open and efficient administration of the CCAA Proceeding and of the Bankruptcy Case for the benefit of the Creditors and interested parties;

WHEREAS through the concerted and coordinated efforts of MMAC, the Monitor and the Trustee, predicated on constituting an Indemnity Fund with a view to providing compensation for the Derailment Claims filed pursuant to the Claims Procedure Order, a number of Settlement Agreements have been reached with the Released Parties providing for contributions towards the Indemnity Fund;

WHEREAS the aforesaid Settlement Agreements are conditional upon obtaining for the Released Parties appropriate releases and the Injunction and Release enforceable both in Canada and the United States of America;

WHEREAS the Monitor will seek recognition and enforcement of this Plan and of the Canadian Approval Order from the Bankruptcy Court pursuant to Chapter 15 of the Bankruptcy Code;

WHEREAS the Trustee (for and on behalf of MMA) will file in the Bankruptcy Case the U.S. Plan, which will provide, among other things, for distribution of the Funds for Distribution in accordance with this Plan and the entry of the U.S. Approval Order;

NOW THEREFORE, MMAC hereby proposes this plan of compromise and arrangement pursuant to the CCAA.

ARTICLE 1 INTERPRETATION

1.1 Defined Terms

Administration Charge	has the meaning ascribed thereto in Section 7.1 hereof.
Administration Charge Reserve	has the meaning ascribed thereto in Section 7.1 hereof.
Affected Claims	any and all Claims, other than any Unaffected Claim and any Claim referred to in Section 5.3.
Approval Date	the date on which the Approval Orders become Final Orders. If the Canadian Approval Order, the Class Action Order and the U.S. Approval Order become Final Orders on different dates, the Approval Date is the latest date on which any of the Canadian Approval Order, the Class Action Order or the U.S. Approval Order becomes a Final Order.
Approval Orders	the Canadian Approval Order, the Class Action Order and the U.S. Approval Order, collectively.
Bankruptcy Case	the case styled <i>in re Montreal, Maine & Atlantic Railway Ltd., Bankr. D. Me. No. 13-10670</i> .
Bankruptcy Code	Title 11 of the United States Code.
Bankruptcy Court	United States Bankruptcy Court for the District of Maine, as presiding over the Bankruptcy Case.
Bodily Injury and Moral Damages Claims	shall have the meaning ascribed thereto in Section 3.5(b) hereof.
Business Day	a day, other than Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Montreal, Québec, Canada.
Canadian Approval Order	an Order, as set out in Schedule C hereof, entered in the CCAA Proceeding, which Order shall, among other things, (i) approve, sanction and/or confirm the Plan, (ii) approve the Settlement Agreements; (iii) authorize the Parties to undertake the settlement and the transactions contemplated by the Settlement Agreements; and (iv) provide for the Injunction and Release.
Canadian Professionals	the Monitor, Woods LLP, Gowling Lafleur Henderson LLP and the Claims Officer.

CCAA	has the meaning ascribed thereto in the recitals.
CCAA Court	Superior Court, Province of Quebec, as presiding over the CCAA Proceeding.
CCAA Filing Date	August 8, 2013.
CCAA Proceeding	<i>In the Matter of the Plan of Compromise or Arrangement of Montreal Maine & Atlantic Canada Co.</i> , Superior Court, Province of Quebec, No. 500-11-045094-139.
Chubb	Chubb & Son, a division of Federal Insurance Company, together with its parents, subsidiaries, affiliates, officers and directors, but strictly as insurer under the Chubb Policy.
Chubb Policy	That certain insurance policy bearing number 8210 2375 issued by Federal Insurance Company to Rail World, Inc. and Rail World Holdings LLC.
Claim or Claims	means, as the context requires, past, present and future claims, causes of action, obligations, rights, liens suits, judgments, orders, applications of any kind including for judicial review, remedies, interests, actions, liabilities, demands, duties, injuries, compensation, damages, expenses, fees, and/or costs of whatever kind or nature (including attorney's fees and expenses), whether foreseen or unforeseen, known or unknown, asserted or unasserted, contingent or matured, liquidated or unliquidated, whether in tort, contract, extra-contractual responsibility or otherwise, whether statutory, at common law, civil law, public law or in equity, regardless of the legal theory, including but not limited to claims for breach of contract, tort, breach of the implied covenant of good faith and fair dealing, loss of support, loss of consortium, statutory or regulatory violations, for indemnity or contribution, for any damages either moral, material, bodily injury, punitive, exemplary or extra-contractual damages of any type, in any jurisdiction (a) in any way arising out of, based upon, or relating in any way, in whole or in part, directly or indirectly, whether through a claim that was, is, may or could have been asserted in the Canadian Class Action, or a direct claim, cross-claim, third-party claim, warranty claim, recursory claim, subrogation claim, forced intervention, contribution claim, class action or otherwise, to (i) the Derailment, including but not limited to any claims for wrongful death, survival, personal injury, emotional distress, loss of support, loss of consortium, property damage, economic loss, moral damage, material damage and bodily injury, statutory and common law product and manufacturing liability, negligence, or environmental damage, remediation, exposure or any claim that would constitute any right to an equitable remedy for breach of performance even if such breach does not give rise to a right of payment and/or or exposure; (ii) the Policies; (iii) the issuance of the Policies; (iv) insurance coverage under the Policies, reimbursement or payment under the Policies; (v) any act or

omission of an insurer of any type for which a Claimant might seek relief in connection with the Policies; (vi) the Existing Agreements; or (b) that would otherwise constitute a claim as against MMA, MMAC or their Estates (i) provable in bankruptcy under the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3, had MMAC become bankrupt on August 6, 2013; and/or (ii) within the definition of “claim” set forth in section 101(5) of the Bankruptcy Code; and/or (iii) that are advanced or could have been advanced in the Canadian Class Action.

Claimant	any Person holding or potentially holding any Claim (including any transferee or assignee of a Claim) against (i) MMA, (ii) MMAC, (iii) to the extent applicable, the Estates, and/or (iv) any of the Released Parties.
Claims Bar Date	has the meaning ascribed thereto in the Claims Procedure Order.
Claims Officer	the court officer to be appointed pursuant to the Claims Resolution Order to adjudicate on the validity and quantum of any disputed Claims for the purpose of this Plan.
Claims Procedure	the procedure established for the filing of Claims in the CCAA Proceeding pursuant to the Claims Procedure Order.
Claims Procedure Order	the Amended Claims Procedure Order rendered on June 13, 2014, in the CCAA Proceeding by the CCAA Court, establishing, among other things, a claims procedure in respect of MMAC, as such Order may be amended, restated or varied from time to time.
Claims Resolution Order	an order of the CCAA Court establishing the procedure for determining the validity and quantum of any disputed Claims for the purpose of this Plan.
Class Action	the putative class action commenced on or about July 15, 2013, before the Superior Court, Province of Quebec, under court file 450-06-000001-132, including all subsequent amendments and all proceedings in this Court file, whether before or after the action is authorized to proceed as a class action.
Class Action Court	Superior Court, Province of Quebec, as presiding over the Class Action.
Class Action Order	an order, issued in the Class Action (i) confirming and declaring that the Canadian Approval Order and the U.S. Approval Order shall be binding and given full effect against parties designated and part of the Class Action, whether as a class representative, class member, named defendant/respondent or mis-en-cause, (ii) removing the allegations and conclusions against the Released Parties, and (iii) terminating the Class Action against the Released Parties without costs.

Class Representatives	has the meaning ascribed to “Class Action Plaintiffs” and to “Class Counsel” by the CCAA Court in the Representation Order.
Cook County Actions	the civil actions transferred pursuant to 28 U.S.C. §157(b)(5) in connection with the Bankruptcy Case to the District Court, originally filed in the Cook County, Illinois state court, and appearing on the docket of the District Court as Civil Action Nos. 00113-00130NT.
Creditors	collectively all Persons having Proven Claims and “Creditor” means any one of them.
D&O Parties	Edward A. Burkhardt, Larry Parsons, Steven J. Lee, Stephen Archer, Robert C. Grindrod, Joseph R. McGonigle, Gaynor Ryan, M Donald Gardner, Jr., Fred Yocum, Yves Bourdon and James Howard, each of whom is or was a director or officer of MMA, MMAC, Montreal, Maine & Atlantic Corporation and/or LMS Acquisition Corporation.
Derailment	July 6, 2013 derailment in Lac-Mégantic, Quebec, including any and all events leading up to and related to such derailment and/or any and all consequences of such derailment, including, without limitation, the explosion, crude oil spill, fire and/or other consequences related to such derailment.
Derailment Claims	the Proof of Claims filed under Schedules 1, 2, 3, 4 and 5 pursuant to the Claims Procedure Order.
Distribution Date	the date or dates from time to time set in accordance with the provisions of the Plan to effect distributions in respect of the Proven Claims.
Effective Time	8:00 a.m. (Montreal time) on the Plan Implementation Date.
Estates	the MMA bankruptcy estate and, to the extent applicable, the MMAC estate.
Existing Agreements	The contracts between MMAC and/or MMA and some of the Released Parties, listed in Schedule D hereto.
Final Order	an order of the CCAA Court, the Class Action Court or the Bankruptcy Court that is no longer subject to further appeals, either because the time to appeal has expired without an appeal being filed, or because it has been affirmed by any and all courts with jurisdiction to consider any appeals therefrom.
Filing Date	August 8, 2013.
Funds for Distribution	the net amount of the Settlement Funds following payment to the Canadian Professionals of their CCAA Court-approved professional fees and disbursements and of the U.S. Professionals Bankruptcy Court-approved administrative expenses, for each group of

	professionals respectively up to a maximum amount equal to the amount of their share of the Administration Charge Reserve.
Great American	Great American Insurance Company, together with its parents, subsidiaries, affiliates, officers and directors.
Great American Policy	that certain policy of insurance bearing number DML 9924 836 issued by Great American to MMAC.
Government Claims	has the meaning ascribed thereto in Section 3.5(e) hereof.
Hartford	The Hartford Casualty Insurance Company, together with its parents, subsidiaries, affiliates, officers and directors, but strictly as insurer under the Hartford Policy.
Hartford Policy	that certain policy of insurance bearing number 83 SBA PBO432 SA issued by Hartford to Rail World Inc.
Indemnity Claims	has the meaning ascribed thereto in Section 3.5(f) hereof.
Indemnity Fund	trust accounts into which the Settlement Funds shall be paid.
Indian Harbor	Indian Harbor Insurance Company, but strictly as insurer under the Indian Harbor Policy.
Indian Harbor Policy	insurance policy issued by Indian Harbor to MMA, bearing number RRL003723801.
Injunction and Release	an order by the CCAA Court and the Bankruptcy Court permanently and automatically releasing, enjoining and forbidding the enforcement, prosecution, continuation and/or commencement of any Claim that any Person or Claimant holds or asserts or may in the future hold or assert against any of the Released Parties or that could give rise to a Claim against the Released Parties whether through a cross-claim, third-party claim, warranty claim, recursory claim, subrogation claim, forced intervention or otherwise, arising out of, in connection with and/or in any way related to the Derailment, the Policies, MMA, and/or MMAC. The Injunction and Release order shall provide that any and all Claims against the Released Parties be permanently and automatically compromised, discharged and extinguished, that all Persons and Claimants, whether or not consensually, shall be deemed to have granted full, final, absolute, unconditional, complete and definitive releases of any and all Claims to the Released Parties and shall be permanently and forever barred, estopped, stayed and enjoined from (i) pursuing any Claim, directly or indirectly, against the Released Parties, (ii) continuing or commencing, directly or indirectly, any action or other proceeding with respect to any Claim against the Released Parties, (iii) seeking the enforcement, levy, attachment, collection, contribution or recovery of or from any judgment, award, decree, or order against the Released Parties or property of the Released Parties with

respect to any Claim, (iv) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any lien or encumbrance of any kind against the Released Parties or the property of the Released Parties with respect to any Claim, (v) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Approval Orders to the full extent permitted by applicable law, and (vi) asserting any right of setoff, compensation, subrogation, contribution, indemnity, claim or action in warranty or forced intervention, recoupment or avoidance of any kind against any obligations due to the Released Parties with respect to any Claim or asserting any right of assignment of or subrogation against any obligation due by any of the Released Parties. The Injunction and Release order shall provide that it has no effect on the rights and obligations provided by the “*Entente d’assistance financière découlant du sinistre survenu dans la ville de Lac-Mégantic*” signed on February 19, 2014 between Canada and the Province. Notwithstanding the foregoing, the “Injunction and Release” shall not extend to and shall not be construed as extending to Unaffected Claims.

Meeting	a meeting or meetings of the Creditors and Claimants to consider and vote on the Plan held pursuant to the Meeting Order and includes any meeting or meetings resulting from the adjournment thereof.
Meeting Order	an order of the CCAA Court directing the calling and holding of the Meeting.
MMA	Montreal, Maine & Atlantic Railway Ltd.
MMAC	Montreal, Maine & Atlantic Canada Co.
Monitor	Richter Advisory Group Inc. (Richter Groupe Conseil Inc.), in its capacity as Monitor in the CCAA Proceeding.
Non-Derailment Claims	has the meaning ascribed thereto in Section 3.5(g) hereof.
Person	means and includes an individual, a natural person or persons, a group of natural persons acting as individuals, a group of natural persons acting in collegial capacity (e.g., as a committee, board of directors, etc.), a corporation, partnership, limited liability company or limited partnership, a proprietorship, joint venture, trust, legal representative, or any other unincorporated association, business organization or enterprise, any government entity and any successor in interest, heir, executor, administrator, trustee, trustee in bankruptcy, or receiver of any person or entity.
Plan	This plan of compromise and arrangement in the CCAA Proceeding.
Plan Implementation	The Business Day on which the Monitor has filed with the CCAA

Date	Court the certificate contemplated in Section 6.2 hereof.
Plan Termination Date	January 29, 2016
Policies	the Indian Harbor Policy, the XL Policy, the Chubb Policy and the Hartford Policy
Property and Economic Damages Claims	has the meaning ascribed thereto in Section 3.5(c) hereof.
Proof of Claim	the form of Proof of Claim for Creditors as approved by the Claims Procedure Order.
Proven Claim	a Claim finally determined, settled or accepted for voting and distribution purposes in accordance with the provisions of this Plan or the Claims Resolution Order.
Province	the Attorney General for the Province of Quebec.
Rail World Parties	means (i) Rail World Holdings, LLC; (ii) Rail World, inc.; (iii) Rail World Locomotive Leasing LLC ("RWLL"); (iv) The San Luis Central R.R. Co.; (v) Pea Vine Corporation; (vi) LMS Acquisition Corporation; (vii) Earlston Associates L.P.; (viii) Montreal, Maine & Atlantic Corporation; and (ix) each of the shareholders, directors and officers or members or partners of the foregoing, to the extent they are not D&O Parties. For the avoidance of doubt, Rail World Parties also includes Edward Burkhardt, solely in his capacity as director, officer and shareholder of the Rail World Parties.
Released Parties	the Persons listed in Schedule "A" hereto.
Representation Order	the order rendered on March 28, 2014 in the CCAA Proceeding by the CCAA Court appointing, as representatives of the class members designated in the Class Action and for the purposes of the CCAA Proceeding, the Class Action Plaintiffs and the Class Counsel (as these terms are defined in said order).
Settlement Agreements	collectively, those agreements whereby Third Party Defendants undertake to make acceptable monetary contributions toward the Indemnity Fund in consideration for being included as Released Parties in the Plan. Individually referred to as a "Settlement Agreement".
Settlement Funds	the aggregate monetary contributions payable under the Settlement Agreements, including the XL Indemnity Payment and the XL Additional Payment, before potential recovery on claims assigned to MMAC and the Trustee by certain of the Released Parties, which monetary contributions are estimated, as of the date hereof, at one hundred eighty-two million three hundred thousand Canadian dollars (CAD\$182,300,000.00) plus eighty-nine million four hundred

	thousand US dollars (US\$89,400,000.00).
Subrogated Insurer Claims	has the meaning ascribed thereto in Section 3.5(d) hereof.
Third Party Defendants	any Person with a risk of liability arising out of or related to the Derailment, including, without limitation, the defendants to the Class Action and the Cook County Actions.
Trustee	Robert J. Keach, in his capacity as chapter 11 Trustee appointed in the Bankruptcy Case, or such other Person(s) as may be approved by the Bankruptcy Court in the future to serve in such capacity in the Bankruptcy Case.
Unaffected Claims	has the meaning given to that term in Section 3.3 hereof.
U.S. Approval Order	(i) an Order entered in the Bankruptcy Case sanctioning, approving and/or confirming the U.S. Plan or (ii) an order entered in the Bankruptcy Case pursuant to the applicable sections of chapter 15 of the Bankruptcy Code, which order sanctions, recognizes and enforces the terms of the Canadian Approval Order. In either case, a “U.S. Approval Order” must, among other things, (a) approve the Settlement Agreements; (b) authorize the parties to undertake the settlement and the transactions contemplated by the Settlement Agreements; and (c) order the Injunction and Release.
U.S. Plan	the plan of liquidation, to be filed by the Trustee (for and on behalf of MMA) in the Bankruptcy Case, which shall provide, among other things, for the distribution of the Funds for Distribution in accordance with this Plan, the Canadian Approval Order and U.S. Approval Order.
U.S. Professionals	the Trustee, the Trustee’s professionals and Paul Hastings LLP as counsel for the Official Committee of Victims as defined in the order authorizing the appointment of a victims’ committee entered in the Bankruptcy Case on October 18, 2013.
XL Companies	Indian Harbor and XL Insurance.
XL Additional Payment	USD \$5 million.
XL Indemnity Payment	CAD \$25 million.
XL Insurance	the Canadian Branch of XL Insurance Company SE (formerly XL Insurance Company Limited) but strictly as insurer under the XL Policy.
XL Policy	insurance policy issued by XL Insurance, bearing number RLC003808301.
XL Settlement	the agreement executed among the XL Companies, MMAC and the

Agreement	Trustee providing for the payment of the XL Indemnity Payment and the XL Additional Payment, which shall constitute a Settlement Agreement within the meaning of Section 1.1.
Website	the website maintained by the Monitor in respect of the CCAA Proceedings pursuant to the Initial Order at the following web address: http://www.richter.ca/en/insolvency-cases/m/montreal-maine-and-atlantic-canada-co .
Wrongful Death Claims	has the meaning ascribed thereto in Section 3.5(a) hereof.
Wrongful Death Victims	the spouse or common law partner, child, parent, and sibling of the persons deceased as a result of the Derailment.

1.2 Certain Rules of Interpretation

For the purposes of this Plan:

- (a) any reference in the Plan to an Order, agreement, contract, instrument, release, exhibit or other document means such Order, agreement, contract, instrument, release, exhibit or other document as it may have been or may be validly amended, modified or supplemented;
- (b) the division of the Plan into "articles" and "sections" and the insertion of a table of contents are for convenience of reference only and do not affect the construction or interpretation of the Plan, nor are the descriptive headings of "articles" and "sections" intended as complete or accurate descriptions of the content thereof;
- (c) unless the context otherwise requires, words importing the singular shall include the plural and *vice versa*, and words importing any gender shall include all genders;
- (d) the words "includes" and "including" and similar terms of inclusion shall not, unless expressly modified by the words "only" or "solely", be construed as terms of limitation, but rather shall mean "includes but is not limited to" and "including but not limited to", so that references to included matters shall be regarded as illustrative without being either characterizing or exhaustive;
- (e) unless otherwise specified, all references to time herein and in any document issued pursuant hereto mean local time in Montréal, Québec and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. (Montréal time) on such Business Day;
- (f) unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next succeeding Business Day if the last day of the period is not a Business Day;

- (g) unless otherwise provided, any reference to a statute or other enactment of parliament or a legislature includes all regulations made thereunder, all amendments to or re-enactments of such statute or regulations in force from time to time, and, if applicable, any statute or regulation that supplements or supersedes such statute or regulation; and
- (h) references to a specified "article" or "section" shall, unless something in 'the subject matter or context is inconsistent therewith, be construed as references to that specified article or section of the Plan, whereas the terms "the Plan", "hereof", "herein", "hereto", "hereunder" and similar expressions shall be deemed to refer generally to the Plan and not to any particular "article", "section" or other portion of the Plan and include any documents supplemental hereto.

1.3 Currency

Any Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada noon exchange rate on the Filing Date.

1.4 Successors and Assigns

The Plan shall be binding upon and shall inure to the benefit of the heirs, administrators, executors, legal personal representatives, successors and assigns of any Person named or referred to in the Plan.

1.5 Governing Law

The Plan shall be governed by and construed in accordance with the laws of the Province of Québec and the federal laws of Canada applicable therein. All questions as to the interpretation or application of the Plan and all proceedings taken in connection with the Plan and its provisions shall be subject to the jurisdiction of the CCAA Court.

1.6 Schedules

The following Schedules to the Plan are incorporated by reference into the Plan and form part of the Plan:

Schedule "A"	List of Released Parties
Schedule "B"	Settlement Agreements
Schedule "C"	Draft Canadian Approval Order
Schedule "D"	List of Existing Agreements
Schedule "E"	Distribution mechanism with respect to the Wrongful Death Claims
Schedule "F"	Distribution mechanism with respect to the Bodily Injury and Moral Damages Claims

Schedule "G"	Distribution mechanism with respect to the Property and Economic Damages Claims
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Schedule "H"	XL Settlement Agreement
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<u>Schedule "I"</u>	<u>Economic Revitalization Plan</u>
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The Settlement Agreements, save and except for the XL Settlement Agreement, shall not be attached to the copy of the Plan served on the interested parties and filed publicly with the CCAA Court or the Bankruptcy Court, and MMAC shall apply to the CCAA Court and Bankruptcy Court to have Schedule "B" filed on a sealed and confidential basis. The Settlement Agreements, save and except for the XL Settlement Agreement, shall not otherwise be made public in order to preserve the confidentiality of the settlements and terms therein.

ARTICLE 2 PURPOSE AND EFFECT OF THE PLAN

2.1 Purpose

The purpose of the Plan is:

- (a) to effect a full, final and irrevocable compromise, release, discharge, cancellation and bar of all Affected Claims against the Released Parties;
- (b) to effect the distribution of the Funds for Distribution and payment of the Proven Claims as set forth in Sections 4.2 and 4.3;

The Plan is put forward in the expectation that the Creditors, when considered as a whole, will derive a greater benefit from the implementation of the Plan than they would in the event of a bankruptcy of MMAC.

ARTICLE 3 CLASSIFICATION, VOTING AND RELATED MATTERS

3.1 Class of Creditors

The Creditors shall constitute a single class for the purposes of considering and voting on this Plan.

3.2 Claims Procedure

Creditors shall prove their respective claims, vote in respect of this Plan, and receive the distributions provided for under and pursuant to this Plan in accordance with the Claims Procedure Order, the Claims Resolution Order, the Meeting Order and this Plan. Any Person having a Claim that is not a Proven Claim is bound by such Orders, including that of being precluded from receiving a distribution under this Plan, and is forever barred and estopped from asserting such Claim against the Released Parties.

3.3 Unaffected Claims

Notwithstanding anything to the contrary herein, this Plan does not compromise, release, discharge, cancel, bar or otherwise affect:

- (a) the rights or claims of the Canadian Professionals and the U.S. Professionals for fees and disbursements incurred or to be incurred for services rendered in connection with or relating to the CCAA Proceeding or the Bankruptcy Case, including the implementation of this Plan and the U.S. Plan.
- (b) to the extent that there is, or may be, coverage for such Claims under any policy of insurance issued by Great American or any affiliate, including, without limitation, the Great American Policy, and only to the extent such coverage is actually provided, which coverage shall be assigned to the Trustee and MMAC and without any obligation on the part of the Rail World Parties or the D&O Parties to make any payment or contribution to supplement what is actually obtained by the Trustee or MMAC from such insurance policy (i) claims by MMAC or the Trustee (and only the Trustee, MMAC, their designee, or, to the extent applicable, the Estates) against the Rail World Parties and/or the D&O Parties; and (ii) claims by the holders of Wrongful Death Claims against Rail World, Inc., provided further, that any right or recovery by such holders of any right or recovery by such holders of Wrongful Death Claims pursuant to the action authorized by this subparagraph shall be, in all respects, subordinate to the claims of the Trustee and MMAC, and their successors under the Plan, in the above policies and (iii) claims by MMAC or the Trustee against the D&O Parties for any alleged breach of fiduciary duty or any similar claim based upon the D&O parties' authorization for payments to holders of notes and warrants issued pursuant to that certain Note and Warrant Purchase Agreement dated January 8, 2003 between MMA and certain noteholders (as amended from time to time) to the extent such payments arise from the sale of certain assets of MMA to the State of Maine.
- (c) claims by MMAC and the Trustee under applicable bankruptcy and non bankruptcy law to avoid and/or recover transfers from MMA, MMAC or MMA Corporation to the holders of notes and warrants issued pursuant to that certain Note and Warrant Purchase Agreement dated as of January 8, 2003 between MMA and certain noteholders (as amended from time to time) to the extent such payments arise from the distribution of proceeds from the sale of certain assets of MMA to the State of Maine.
- (d) claims or causes of action of any Person, including MMAC, MMA and the Released Parties (subject to the limitations contained in their respective Settlement Agreements), against third parties other than any of the Released

Parties (subject to paragraph 3.3(e)).

- (e) claims or other rights preserved by any one of the Released Parties as set forth in Schedule A.
- (f) MMAC's obligations under the Plan, the Settlement Agreements, and the Approval Orders;
- (g) Claims against MMAC, except any Claims of the Released Parties other than Canada. However, subject to the Approval Orders becoming Final Orders, the Attorney General of Canada (i) has undertaken to irrevocably withdraw the Proof of Claim filed on behalf of Department of Transport Canada and the Proof of Claim filed on behalf of the Department of Public Safety and Emergency Preparedness, (ii) has agreed to the reallocation in favor of the Creditors of any and all dividends payable pursuant to this Plan or the U.S. Plan on the Proof of Claim filed on behalf of Canada Economic Development for Quebec Regions, as set forth in Section 4.3, and (iii) has agreed not to file any additional Proof of Claim under the CCAA Proceeding or the Bankruptcy Case;
- (h) any liability or obligation of and claim against the Third Party Defendants, insofar as they are not Released Parties, of whatever nature for or in connection with the Derailment, including but not limited to the Class Action and the Cook County Actions;
- (i) any Person for fraud or criminal and quasi-criminal charges filed or that may be filed and, for greater certainty, for any fine or penalty arising from any such charges;
- (j) any claims that any of the Rail World Parties and the D&O Parties may have to seek recovery from any of their insurers for any attorneys' fees, expenses and costs they have incurred prior to the Approval Date.
- (k) claims that fall under Section 5.1(2) of the CCAA.

All of the foregoing rights and claims set out in this Section 3.3, inclusive, are collectively referred to as the "**Unaffected Claims**" and any one of them is an "**Unaffected Claim**".

3.4 Treatment of Creditors

The Creditors shall receive the treatment provided for in this Plan on account of their Claims and, on the Plan Implementation Date, the Affected Claims will be compromised, released and otherwise extinguished against the Released Parties in accordance with the terms of this Plan.

3.5 Voting Rights for Creditors

Subject to this Plan, the Claims Procedure Order, the Claims Resolution Order and the Meeting Order, each Creditor shall be entitled to vote and for voting purposes each of such Claims shall be valued at an amount that is equal to the Creditor's Proven Claim, the whole subject to the following:

- (a) the aggregate of the votes of all Wrongful Death Victims having a Proven Claim for damages resulting from the death of a person as a consequence of the Derailment (for greater certainty, those Claims that fall under Schedule 1 of the Proof of Claim and were recognized as such or that were filed in the Bankruptcy Case) (collectively, the "**Wrongful Death Claims**" and, individually, a "**Wrongful Death Claim**") shall represent no more than 22.2% in value of all votes cast by Creditors;
- (b) the aggregate of the votes of all Creditors having a Proven Claim relating to the Derailment for damages resulting from bodily injuries suffered by themselves or another person and, without limitation, all claims for moral damages (for greater certainty, those Claims that fall under Schedules 2 and 3(a) of the Proof of Claim and were recognized as such or determined to be Bodily Injury and Moral Damages Claims or that were filed in the Bankruptcy Case) (collectively, the "**Bodily Injury and Moral Damages Claims**" and, individually, a "**Bodily Injury and Moral Damages Claim**") shall represent no more than 11.1% in value of all votes cast by Creditors;
- (c) the aggregate of the votes of all Creditors having a Proven Claim relating to the Derailment for damages suffered by an individual or a business not resulting from bodily injuries or death of a person (for greater certainty, those Claims that fall under Schedules 3(a) and 3(b) of the Proof of Claim and were recognized as such or that were filed in the Bankruptcy Case) (collectively, the "**Property and Economic Damages Claims**" and, individually, a "**Property and Economic Damages Claim**") shall represent no more than 8.3% in value of all votes cast by Creditors;
- (d) the aggregate of the votes of all Creditors having a Proven Claim in their capacity as subrogated insurers for claims directly resulting from the Derailment (for greater certainty, those Claims that fall under Schedule 4 of the Proof of Claim and were recognized as such) (collectively, the "**Subrogated Insurer Claims**" and, individually, a "**Subrogated Insurer Claim**") shall represent no more than 3.8% in value of all votes cast by Creditors;
- (e) the aggregate of the votes of all government entities or municipalities having a Proven Claim relating to the Derailment (for greater certainty, those claims that fall under Schedule 5 of the Proof of Claim and were recognized as such) (collectively, the "**Government Claims**" and, individually, a "**Government Claim**") shall represent no more than 48.5% in value of all votes cast by Creditors;
- (f) Creditors having a Proven Claim relating to the Derailment for contribution or indemnity (for greater certainty, those claims that fall under Schedule 6 of the Proof of Claim and were recognized as such) (collectively, the "**Indemnity Claims**" and, individually, an "**Indemnity Claim**") shall represent 0% in value of all votes cast by Creditors.

- (g) Creditors having filed a Proof of Claim for damages unrelated to the Derailment (for greater certainty, those claims that fall under Schedule 7 of the Proof of Claim and were recognized as such) (collectively, the “**Non-Derailment Claims**” and, individually, a “**Non-Derailment Claim**”) shall represent no more than 6.1% in value of all votes cast by Creditors.

3.6 Interest

Interest shall not accrue or be paid on any Claim from and after the Filing Date.

3.7 Duplicate Claims

A Creditor who has a Claim against more than one of MMAC, MMA or the Released Parties or has filed or is deemed to have filed claims both in the Bankruptcy Case and the CCAA Proceeding, in respect of the same debt or obligation, shall only be entitled to assert one Claim in respect of such debt or obligation, and any duplicate Claim filed by such Creditor will be disallowed for voting and distribution purposes under this Plan and the U.S. Plan so that only a single Claim remains under which said Creditors can exercise distribution rights.

ARTICLE 4 DISTRIBUTIONS

4.1 Contributions to the Indemnity Fund

Each of the Released Parties shall deliver to the Monitor the monies necessary to fully fund that amount of the Indemnity Fund which it is obligated to pay pursuant to the Settlement Agreements within such delay as has been agreed to pursuant to the Settlement Agreements and in any event within no more than 30 days after they have received written notice from the Monitor and the Trustee certifying that the Approval Orders become Final Orders, and such monies shall be held by the Monitor in trust in one or more interest bearing accounts and distributed by the Monitor in accordance with the terms of this Plan. Should this Plan be terminated for any reason in accordance with Section 6.3 or 8.3, such monies shall be returned by the Monitor, with any interest earned thereon, forthwith to the respective parties having contributed such monies. For greater certainty, any contributions to the Indemnity Fund received by the Monitor that are in U.S. Dollars shall be held by the Monitor in trust in U.S. Dollars and converted into Canadian Dollars on the Plan Implementation Date (save and except the portion to be remitted to the Trustee pursuant to Section 4.2(a)) and any contributions to the Indemnity Fund received by the Monitor that are in Canadian Dollars shall be held by the Monitor in trust in Canadian Dollars and not converted into U.S. Dollars.

4.2 Distribution to Creditors

The following Creditors having Proven Claims shall be entitled to distribution under this Plan as follows:

- (a) Creditors having Wrongful Death Claims shall, in the aggregate, receive 24.1% of the Funds for Distribution in full and final satisfaction of their Proven Claims as against the Released Parties. This amount will be remitted by the Monitor to the Trustee to fund a trust dedicated to the distribution to the Creditors having

Wrongful Death Claims in accordance with the mechanism set forth in Schedule E hereto.

- (b) Creditors having Bodily Injury and Moral Damages Claims shall, in the aggregate, receive 10.4% of the Funds for Distribution in full and final satisfaction of their Proven Claims as against the Released Parties. This amount will be distributed by the Monitor in accordance with the mechanism set forth in Schedule F hereto.
- (c) Creditors having Property and Economic Damages Claims shall, in the aggregate, receive 9.0% of the Funds for Distribution in full and final satisfaction of their Proven Claims as against the Released Parties. This amount will be distributed by the Monitor in accordance with the mechanism set forth in Schedule G hereto.
- (d) Creditors having Subrogated Insurer Claims shall, in the aggregate, receive 4.1% of the Funds for Distribution in full and final satisfaction of their Proven Claims as against the Released Parties. This amount will be distributed by the Monitor on a *pro rata* basis amongst the Creditors having Subrogated Insurer Claims.
- (e) Creditors having Government Claims shall, in the aggregate, receive 52.4% of the Funds for Distribution in full and final satisfaction of their Proven Claims as against the Released Parties. This amount will be distributed by the Monitor on a *pro rata* basis amongst the Province, the City of Lac-Mégantic, the Attorney General of Canada (on behalf of Canada Economic Development for Quebec Regions) and the Commission de la Santé et de la Sécurité au Travail (CSST). For the purpose of this Plan, the Proven Claims of the Province, the City of Lac-Mégantic, the Federal Government of Canada (Economic Development of Canada, Quebec Regions) and the Commission de la Santé et de la Sécurité au Travail (CSST) are evaluated and established as follows:
 - (i) Province: CAD\$409,313,000 (or 94% of the Government Claims)
 - (ii) The City of Lac-Mégantic: CAD\$5,000,000 (or 1.1% of the Government Claims)
 - (iii) The Attorney General of Canada (on behalf of Canada Economic Development for Quebec Regions): CAD\$21,000,000 (or 4.8% of the Government Claims)
 - (iv) CSST: CAD\$313,775 (or 0.1% of the Government Claims)

For greater certainty, Creditors having Indemnity Claims and Non-Derailment Claims shall not be entitled to distribution under this Plan or the U.S. Plan in relation to the Indemnity Fund and shall have no right to any portion of the Funds for Distribution. However, the Creditors having Non-Derailment Claims against MMAC will be entitled to distribution under the U.S. Plan, in accordance with its terms from any available net proceeds of the liquidation of MMA's assets.

Notwithstanding the foregoing, in the event that, following the review of the Property and Economic Damages Claims pursuant to the Claims Resolution Order, the aggregate value of the Property and Economic Damages Claims is reduced below \$75 million, the difference between the amount of \$75 million and the revised aggregate value of these

claims will be allocated ~~on a pro-rata basis~~ to the value of the claims in the ~~other categories~~category described in ~~Sections~~Section 4.2 ~~(a) (b) (d) and (e)b)~~, or, in the discretion of the Class Representatives, used to fund an economic revitalization plan substantially in accordance with Schedule I hereto.

4.3 Additional Distributions to Creditors

~~With the agreement of the Province and the Federal Government of Canada (Economic Development of Canada, Quebec Region), any~~Any and all amounts payable pursuant to this Plan:

- (a) to the Province out of the XL Indemnity Payment (estimated at CAD\$13,735,000);
- (b) to the Attorney General of Canada (on behalf of Canada Economic Development for Quebec Regions) (estimated at CAD\$6,936,000);

(collectively, the “**Reallocated Dividends**”)

will be distributed to the Creditors having Proven Claims in respect of (i) Wrongful Death Claims, (ii) Bodily Injury and Moral Damages Claims and (iii) Property and Economic Damages Claims in accordance with the percentages set forth in subsection 4.2 (a), (b) and (c) hereof, namely:

- (i) 53.3% of the Reallocated Dividends will be distributed to the Creditors having Wrongful Death Claims;
- (ii) 26.7% of the Reallocated Dividends will be distributed to Creditors having Bodily Injury and Moral Damages Claims; and
- (iii) 20.0% of the Reallocated Dividends will be distributed to Creditors having Property and Economic Damages Claims.

4.4 Timing of Distributions to Creditors

The Monitor shall hold the Settlement Funds in trust pending distribution thereof in accordance with the terms of this Plan and the Settlement Agreements, as applicable. Within 45 calendar days following the Plan Implementation Date, and receipt by the Monitor of any applicable tax ruling or clearance certificate, the Monitor shall make distributions to or on behalf of Creditors (including, without limitation, to the Trustee in accordance with Section 4.2(a) or to the Creditors' Representative Counsel in accordance with Section 4.5, to be held by such Representative Counsel in trust for such Creditors) in accordance with the terms of this Plan.

4.5 Delivery of Distributions to Creditors

Distributions to Creditors shall be made in accordance with the terms of this Plan, as applicable, by the Monitor: (A) at the addresses set forth in the Proofs of Claim filed by such Creditors in accordance with the Claims Procedure Order; (B) if applicable, at the addresses set forth in any written notices of address change delivered to the Monitor after the date on which any corresponding proof of claim was filed, provided such notice is received by the Monitor at least five (5) Business Days prior to the Plan Implementation Date; or (C) if applicable, and to the extent differing from the foregoing, at the address of such Creditors' respective legal representatives (the "**Representative Counsel**"), in trust for such Creditors, subject to the receipt by the Monitor at least five (5) business days prior to the Plan Implementation Date of a written instruction to that effect from said Creditors, it being understood that the class members in the Class Action, to the extent they have not sent an Opt-Out Notice (as these terms are defined in the Representation Order) within the prescribed delay, shall be deemed represented by the Class Counsel (as these terms are defined in the Representation Order) and said Class Counsel shall be considered as Representative Counsel duly authorized to receive the above-mentioned distribution in trust for all such class members. For greater certainty, and without limiting the foregoing:

- (i) With respect to the distributions to be made under this Plan to Representative Counsel, any disputes among the Creditors they represent and Representative Counsel with respect to the timing, allocation, quantum or other terms of the payment of the monies in question by Representative Counsel to and among those Creditors shall have no bearing or effect on the releases set out in the Settlement Agreements or this Plan, including, without limitation, the releases and injunctions in favour of the Released Parties (whether pursuant to the Settlement Agreements, the Plan, the U.S. Plan, the Approval Orders, or otherwise); and
- (ii) this Plan shall be effective and binding as and when set out in Section 6.2, and the fact that one or more of the Representative Counsel may be required or elect to commence or pursue further steps or proceedings or to otherwise resolve additional matters, issues or things subsequent to the Plan Implementation Date in order to be lawfully entitled to make distributions to the Creditors they represent (including, without limitation, obtaining the approval by any Court of the payment of their respective professional fees and disbursements from the distributions in question) shall have no bearing or effect on the Settlement Agreements, this Plan, the U.S. Plan, or the Approval Orders, irrespective of the timing and outcome of such further steps and proceedings.

4.6 Allocation of Distributions

All distributions made to Creditors in respect of Proven Claims pursuant to this Plan shall be applied first in payment of the outstanding principal amount of the Proven Claim and only after the principal portion of any such Proven Claim is satisfied in full, to any portion of such Proven Claim comprising accrued and unpaid interest (but solely to the extent that interest is an allowable portion of such Proven Claim pursuant to this Plan or otherwise). In the event that the principal amount of all Proven Claims has been paid in full, each Creditor shall, at the request of the Monitor, be responsible for providing a representation and warranty with respect to its residency for purposes of the *Income Tax Act* (Canada). If any Creditor fails to provide satisfactory evidence that it is a resident of Canada for purposes of the *Income Tax Act* (Canada), then the Monitor shall have the right to:

- (i) assume and otherwise consider such Creditor to be a non-resident of Canada for the purposes of the *Income Tax Act* (Canada); and
- (ii) withhold any non-resident withholding tax that would be imposed under the *Income Tax Act* (Canada) based on such assumption from any amounts payable to such Creditor under this Plan,

until such time as such Creditor provides satisfactory evidence to the contrary to the Monitor, unless the non-resident withholding tax has already been remitted to the Canada Revenue Agency. For greater certainty, the distributions to be made pursuant to this Plan to Creditors having Proven Claims do not include, and are not intended to include, any amounts on account of interest on such Claims.

4.7 Transfer of Claims; Record Date for Distributions

Claims may be sold, transferred or assigned at any time by the holder thereof, whether prior or subsequent to the Plan Implementation Date, provided that:

- (i) Neither MMAC nor the Monitor shall be obligated to deal with or to recognize the purchaser, transferee or assignee of the Claim as the Creditor in respect thereof unless and until written notice of the sale, transfer or assignment is provided to the Monitor, such notice to be in form and substance satisfactory to the Monitor, acting reasonably within five (5) Business Days prior to the Plan Implementation Date
- (ii) only holders of record of Claims as at the date of the Meeting Order shall be entitled to attend, vote or otherwise participate at such meeting of Creditors; provided, however, that: (A) for the purposes of determining whether this Plan has been approved by a majority in number of the Creditors only the vote of the transferor or the transferee, whichever holds the highest dollar value of such Claims will be counted, and, if such value shall be equal, only the vote of the transferee will be counted; and (B) if a Claim has been transferred to more than one transferee, for purposes of determining whether this Plan has been approved by a majority in number of the Creditors, only the vote of the transferee with the highest value of such Claim will be counted; and
- (iii) only holders of record of Claims as at five (5) Business Days prior to the

Plan Implementation Date shall have the right to participate in the corresponding distribution provided for under Section 4.2 of this Plan.

ARTICLE 5 RELEASES AND INJUNCTIONS

5.1 Plan Releases and Injunctions

All Affected Claims shall be fully, finally, absolutely, unconditionally, completely, irrevocably and forever compromised, remised, released, discharged, cancelled and barred on the Plan Implementation Date as against the Released Parties.

All Persons (regardless of whether or not such Persons are Creditors or Claimants) shall be permanently and forever barred, estopped, stayed and enjoined from (i) pursuing any Claim, directly or indirectly, against the Released Parties, (ii) continuing or commencing, directly or indirectly, any action or other proceeding with respect to any Claim against the Released Parties, or with respect to any claim that could give rise to a Claim against the Released Parties whether through a cross-claim, third-party claim, warranty claim, recursory claim, subrogation claim, forced intervention or otherwise, (iii) seeking the enforcement, levy, attachment, collection, contribution or recovery of or from any judgment, award, decree, or order against the Released Parties or property of the Released Parties with respect to any Claim, (iv) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any lien or encumbrance of any kind against the Released Parties or the property of the Released Parties with respect to any Claim, (v) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Approval Orders to the full extent permitted by applicable law, (vi) asserting any right of setoff, compensation, subrogation, contribution, indemnity, claim or action in warranty or forced intervention, recoupment or avoidance of any kind against any obligations due to the Released Parties with respect to any Claim or asserting any right of assignment of or subrogation against any obligation due by any of the Released Parties with respect to any Claim, and (vii) taking any actions to interfere with the Implementation or consummation of this Plan; provided, however, that the foregoing shall not apply to the enforcement of any obligations under the Plan.

Notwithstanding the foregoing, the Plan Releases and Injunctions as provided in this Section 5.1 (i) shall have no effect on the rights and obligations provided by the "*Entente d'assistance financière découlant du sinistre survenu dans la ville de Lac-Mégantic*" signed on February 19, 2014 between Canada and the Province, (ii) shall not extend to and shall not be construed as extending to any Unaffected Claims.

5.2 Timing of Releases and Injunctions

All releases and injunctions set forth in this Article 5 shall become effective on the Plan Implementation Date at the Effective Time.

5.3 Claims against Third Party Defendants

Any Claim of any Person, including MMAC and MMA, against the Third Party Defendants that are not also Released Parties: (a) is unaffected by this Plan; (b) is not discharged, released, cancelled or barred pursuant to this Plan; (c) shall be permitted to continue as against said Third Party Defendants; (d) shall not be limited or restricted by this Plan in any manner as to quantum to the extent that there is no double recovery as a result of the indemnification received by the Creditors or Claimants pursuant to this Plan; and (e) does not constitute an Affected Claim under this Plan. For greater certainty, and notwithstanding anything else contained herein, in the event that a Claim is asserted by any Person, including MMAC and MMA, against any Third Party Defendants that are not also Released Parties any and all right(s) of such Third Party Defendants to claim over, claim against or otherwise assert or pursue any rights or any Claim against any of the Released Parties at any time, shall be released and discharged and forever barred pursuant to the terms of this Plan and the Approval Orders.

ARTICLE 6 CONDITIONS PRECEDENT AND IMPLEMENTATION

6.1 Conditions Precedent to Implementation of Plan

The implementation of this Plan shall be conditional upon the fulfillment, or waiver (strictly with respect to Sections 6.1(e) and (f)), of the following conditions on or before the Plan Implementation Date:

(a) Entry of the Canadian Approval Order

The Canadian Approval shall have been granted by the CCAA Court, including the granting by the CCAA Court of its approval of the compromises, releases and injunctions contained in and effected by this Plan.

(b) Confirmation by the Trustee of the entry of the U.S. Approval Order

The Trustee shall have confirmed in writing to the Monitor that the U.S. Approval Order has been granted by the Bankruptcy Court, including the granting by the Bankruptcy Court of its approval of the compromises, releases and injunctions contained in and effected by this Plan.

(c) Entry of the Class Action Order

The Class Action Order shall have been granted by the Superior Court, Province of Quebec.

(d) Expiry of Appeal Periods

The Canadian Approval Order and the Class Action Order shall have become Final Orders and the Trustee shall have confirmed in writing to the Monitor that the U.S. Approval Order has become a Final Order.

(e) Contributions

Each of the Released Parties shall have paid to the Monitor the amounts payable by it pursuant to its Settlement Agreement, in accordance with the terms of the Settlement Agreements.

(f) Completion of Necessary Documentation

MMAC, the Monitor and the Trustee, as applicable, shall have obtained the execution and delivery by all relevant Persons of all agreements, settlements, resolutions, indentures, releases, documents and other instruments that are necessary to be executed and delivered to implement and give effect to all material terms and provisions of this Plan and the Settlement Agreements.

6.2 Monitor's Certificate

Upon the satisfaction of the conditions set out in Section 6.1 hereof, the Monitor shall file with the CCAA Court in the CCAA Proceeding and with the Trustee a certificate that states that all conditions precedent set out in Section 6.1 of this Plan have been satisfied and that the Plan Implementation Date has occurred.

6.3 Termination of Plan for Failure to Become Effective

If the Plan Implementation Date shall not have occurred on or before the Plan Termination Date, then, subject to further Order of the CCAA Court and the Bankruptcy Court, as applicable, this Plan shall automatically terminate and be of no further force or effect; provided that this Plan shall not automatically terminate pursuant to this section if the sole basis for the non-occurrence of the Plan Implementation Date is the pendency of any appeal or application for leave to appeal with respect to the Approval Orders.

ARTICLE 7 ADMINISTRATION CHARGE AND OTHER PROFESSIONAL FEES

7.1 Administration Charge and Administration Charge Reserve

The Settlement Funds, to the exclusion of the XL Indemnity Payment, up to a maximum of CAD\$20 million, plus any applicable sales taxes for the Canadian Professionals (the "**Administration Charge Reserve**"), shall upon the Effective Time on the Plan Implementation Date be subject to an administration charge in favour of the Canadian Professionals and shall constitute a carveout in favour of the U.S. Professionals in order to secure the payment of the fees, disbursements and entitlements owed or to be owed to them for the services rendered by them in connection with or relating to the CCAA Proceeding and the Bankruptcy Case (the "**Administration Charge**"). 60% of the Administration Charge Reserve shall be for the benefit of the Canadian Professionals and 40% shall be for the benefit of the U.S. Professionals. These funds shall be distributed to the Canadian Professionals pursuant to an order of the CCAA Court and to the U.S. Professionals pursuant to an order of the Bankruptcy Court. The Administration Charge shall rank in priority to any and all other hypothecs, mortgages, liens, security interests, priorities, charges, encumbrances, security or rights of whatever nature or kind or deemed trusts affecting the Settlement Funds, if any. The Administration Charge and the Administration Charge Reserve are established on the basis of incurred fees and

disbursements as well as on an estimate of fees, disbursements and entitlements for which the Canadian Professionals and the U.S. Professionals could seek Court approval and are based on the Settlement Funds as presently constituted. The balance of the Administration Charge Reserve, if any, after payment of all fees, disbursements and entitlements of the Canadian Professionals and U.S. Professionals, shall form part of the Indemnity Fund, for distribution in accordance with the Plan.

7.2 Other Professional Fees

In addition to the Administration Charge and the Administration Charge Reserve, the distribution of Settlement Funds further to sub-sections 4.2(a), (b) and (c), whether paid directly to a Creditor or to the Trustee for funding of the trust contemplated by sub-section 4.2(a), shall be subject to the prior payment of the fees of counsel to the Creditor(s) (including, without limitation, any counsel to the Class Representatives and in respect of the Cook County Actions), out of said distribution, in the amount assessed by the CCAA Court having regard to the usual principles applied to the assessment of the fees of counsel (including, without limitation, the terms of any retainer agreements, the recovery for the Creditor(s), the risks undertaken, and the contribution to the case and any settlements), and counsel's entitlement to the Settlement Funds or to payment or compensation in respect of the Settlements Funds shall be limited to the amount so assessed and all claims over and above such amount are hereby released.

ARTICLE 8 GENERAL

8.1 Binding Effect

On the Plan Implementation Date:

- (a) the Plan will become effective at the Effective Time;
- (b) the Plan shall be final and binding in accordance with its terms for all purposes on all Persons named or referred to in, or subject to the Plan and their respective heirs, executors, administrators and other legal representatives, successors and assigns; and
- (c) each Person named or referred to in, or subject to, the Plan will be deemed to have consented and agreed to all of the provisions of the Plan, in its entirety and shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out the Plan in its entirety.

8.2 Deeming Provisions

In the Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

8.3 Non-Consummation

If the Approval Orders are not issued or if the Plan Implementation Date does not occur before the Plan Termination Date, (a) the Plan shall be null and void in all respects, (b) any settlement or compromise embodied in the Plan or any Settlement Agreement, including the fixing or limiting to an amount certain any Claim, and any document or agreement executed pursuant to the Plan shall be deemed null and void, and (c) nothing contained in the Plan, and no acts taken in preparation for consummation of the Plan, shall (i) constitute or be deemed to constitute a waiver or release of any Claims by or against the Released Parties or any other Person; (ii) prejudice in any manner the rights of the Released Parties or any other Person in any further proceedings involving MMAC and/or the Derailment; or (iii) constitute an admission of any sort by the Released Parties or any other Person.

8.4 Plan Amendment

MMAC reserves the right, at any time prior to the Plan Implementation Date, to amend, modify and/or supplement this Plan with the consent of the Class Representatives, provided that:

- (i) any amendment, modification or supplement to Articles 5 and 6 (including any defined terms contained therein) as well as any amendment, modification or supplement made to any other Article which affects the rights of Released Parties under their respective Settlement Agreement(s), may be made only with the written consent of the Released Parties or the affected Released Party, as the case may be, which can be provided at their sole discretion.
- (ii) any such amendment, modification or supplement must be contained in a written document that is filed with the CCAA Court, and must be discussed in advance with, and not objected to by the Released Parties and, if made following the Meeting, must be communicated to such of the Creditors and in such manner, if any, as may be ordered by the CCAA Court;
- (iii) any amendment, modification or supplement may be made unilaterally by MMAC following the Approval Orders, provided that it concerns a matter which, in the opinion of MMAC and the Monitor, acting reasonably, is of an administrative nature required to better give effect to the implementation of this Plan and to the Approval Orders and is not adverse to the financial or economic interests of the Creditors or the Released Parties; and
- (iv) any supplementary plan or plans of compromise or arrangement filed with the CCAA Court by MMAC and, if required by this Section 8.4, approved by the CCAA Court shall, for all purposes, be and be deemed to be a part of and incorporated in this Plan.

8.5 Severability

In the event that any provision in this Plan (other than Articles 5 and 6 and all defined terms contained therein or any other provision herein that would materially adversely affect the rights of any of the Released Parties under their respective Settlement

Agreement(s), or requires any Released Party to pay more than the sum set forth in their respective Settlement Agreement(s)) is held by the CCAA Court to be invalid, void or unenforceable, the CCAA Court shall, [with the agreement of the Class Representatives](#), following due notice to the parties in interest and a hearing on the issue, have the power to alter and interpret such term or provision to make it valid and enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered and interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Canadian Approval Order shall constitute a judicial determination and shall provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms, as same may be recognized, enforced and given effect by the U.S. Approval Order.

8.6 Paramountcy

From and after the Plan Implementation Date, any conflict between: (A) this Plan; and (B) any information summary in respect of this Plan, or the covenants, warranties, representations; terms, conditions, provisions or obligations, express or implied, of any contract, mortgage, security agreement, indenture, loan agreement, commitment letter, document or agreement, written or oral, and any and all amendments and supplements thereto existing between MMAC and any Creditor, Released Party or other Person as at the Plan Implementation Date will be deemed to be governed by the terms, conditions and provisions of this Plan and the Approval Orders, which shall take precedence and priority. Notwithstanding the foregoing, the rights and duties of the parties under the Settlement Agreements are set forth in and shall be governed by the Settlement Agreements. More particularly, the Plan Releases and Injunctions shall be in addition to and are intended to supplement any releases included in the Settlement Agreements as between the parties to such Settlement Agreements. In the event of any inconsistency between this Plan or the Approval Orders and the Settlement Agreements, the terms of the Settlement Agreements will apply with respect to the parties thereto.

8.7 Responsibilities of the Monitor

The Monitor is acting in its capacity as Monitor in the CCAA Proceeding, and the Monitor will not be responsible or liable for any obligations of MMAC hereunder. The Monitor will have only those powers granted to it by this Plan, by the CCAA and by any Order of the CCAA Court in the CCAA Proceeding, including the Initial Order.

8.8 Unclaimed Distributions

If any Person entitled to a cash distribution pursuant to this Plan cannot be located on the Plan Implementation Date or at any time thereafter or otherwise fails to claim his/her/its distribution hereunder, then such cash or cash equivalent instruments shall be set aside and held in a segregated, non-interest-bearing account to be maintained by the Monitor on behalf of such Person. If such Person is located within six (6) months of the Plan Implementation Date, such cash (less the allocable portion of taxes (including withholding taxes), if any, paid by MMAC on account of such Person) and proceeds thereof, shall be paid or distributed to such Person. If such Person cannot be located within six (6) months of the Plan Implementation Date, any such cash, and interest and proceeds thereon, shall

be remitted by the Monitor to a charitable association of its choice (if possible, in the Monitor's sole appreciation, dedicated to providing assistance to the victims of the Derailment), and such Person shall be deemed to have released its claim to such monies; provided, however, that nothing contained in this Plan shall require MMAC or the Monitor to attempt to locate such Person. Any distribution cheques that have not been negotiated within three (3) months of issuance shall be cancelled by the Monitor, and any right or entitlement to such distribution shall be treated as an unclaimed cash or distribution pursuant to this Section 8.8.

8.9 Notices

Any notice or other communication to be delivered hereunder must be in writing and reference the Plan and may, subject as hereinafter provided, be made or given by personal delivery, ordinary mail or by facsimile or email addressed to the respective parties as follows:

(a) If to MMAC

Montreal Maine & Atlantic Canada Co.
C/o Gowling Lafleur Henderson LLP
3700 – 1 Place Ville Marie
Montréal, Québec H3B 3P4

Attention: Me Patrice Benoit (patrice.benoit@gowlings.com)
Attention : Me Pierre Legault (pierre.legault@gowlings.com)
Fax : 514-876-9550

(b) If to the Monitor:

Richter Advisory Group
1981 McGill College Avenue, 11th Floor
Montréal, Québec H3A 0G6

Attention: Mr. Gilles Robillard (grobillard@richter.ca)
Attention: Mr. Andrew Adessky (aadessky@richter.ca)
Fax: 514-934-3504

with a copy by email or fax (which shall not be deemed notice) to:

Attention: Me Sylvain Vauclair (svauclair@woods.qc.ca)
Fax: 514-284-2046

(c) If to the Trustee:

Robert J. Keach, Esq. (rkeach@bernsteinshur.com)
Bernstein Shur Sawyer & Nelson
100 Middle Street
P.O. Box 9729
Portland, ME 04104-5029

Fax: 207-774-1127

or to such other address as any party may from time to time notify the others in accordance with this section. Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of faxing or emailing, provided that such day in either event is a Business Day and the communication is so delivered, faxed or emailed before 5:00 p.m. (Montréal time) on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.

8.10 Further Assurances

MMAC and any other Person named or referred to in the Plan will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of the Plan and to give effect to the transactions contemplated herein.

8.11 No Preference

Sections 38 and 95 to 101 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 shall not apply to this Plan, save and except insofar as they may allow for the preservation or enforcement of (i) any claim brought or that could be brought in the future by the Trustee or MMAC (and only the Trustee, MMAC, their designee, or, to the extent applicable, the Estates) against the Rail World Parties and/or the D&O Parties but only to the extent that there is, or may be, insurance coverage for such claims under any policy of insurance issued by Great American, including, without limitation, the Great American Policy, and (ii) claims by the Trustee or MMAC (and only the Trustee, MMAC, their designee, or, to the extent applicable, the Estates) under applicable bankruptcy and non-bankruptcy law to avoid and/or recover transfers from MMA, MMAC or Montreal, Maine & Atlantic Corporation to the holders of notes and warrants issued pursuant to that certain Note and Warrant Purchase Agreement dated as of January 8, 2003 between MMA and certain noteholders (as amended from time to time) to the extent any such transfers arise from the distribution of proceeds from the sale of certain assets of MMA to the State of Maine, including any claims by or on behalf of the Trustee or the Estates against any of the D&O Parties for any alleged breach of fiduciary duty or any similar claim based upon the D&O Parties' authorization for payment of such notes, but any such breach of fiduciary duty or any similar claim shall be limited to recovery from the insurer under any policy of insurance issued by Great American, including, without limitation, the Great American Policy.

8.12 No Admission

Notwithstanding anything herein to the contrary, nothing contained in this Plan shall be deemed as an admission by the Released Parties with respect to any matter set forth herein including, without limitation, liability on any Claim.

DATED as of the ~~31st~~ 14TH day of ~~March~~ April, 2015

Document comparison by Workshare Compare on Monday, April 13, 2015 5:27:18 PM

Input:	
Document 1 ID	interwovenSite://PRS-IMAN2/PRiManage/1408274/1
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Document 2 ID	interwovenSite://prs-iman2/PRiManage/1408274/4
Description	#1408274v4<PRiManage> - MMA, CCAA Plan of Arrangement as Filed on March 31, 2014 Draft As Amended by PRRR on April 13. 2015
Rendering set	standard

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Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

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Document comparison by Workshare Compare on Monday, April 06, 2015 3:24:34 PM

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Description	#1408425v1<PRiManage> - Montreal Maine & Atlantic Canada Co - Schedule E - Distribution Mechanism with respect to the wrongful death claims - Apr 6/15
Document 2 ID	interwovenSite://PRS-IMAN2/PRiManage/1408425/2
Description	#1408425v2<PRiManage> - Montreal Maine & Atlantic Canada Co - Schedule E - Distribution Mechanism with respect to the wrongful death claims - Apr 6/15
Rendering set	standard

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Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Redline Summary:		
No.	Change	Text
1	Change	"7. If decedent is survived by a child" changed to "7. If decedent is survived by a parent, a child"
2	Insertion	child, a grandparent or a grandchild
3-4	Change	"• Set aside of 5% to parents" changed to "• Set aside of 20% for distribution to parents"
5-6	Change	"to parents and siblings" changed to "to

		parents, siblings"
7	Change	"siblings with a potential reallocation to" changed to "siblings, grandparents...reallocation to"
8	Insertion	\$25,000 to each parent...and grandchild
9-10	Change	"Doc 1408425 v1" changed to "Doc 1408425 v2"

Statistics:	
	Count
Insertions	7
Deletions	3
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	10

Montreal Maine & Atlantic Canada Co.
Schedule E
Distribution Mechanism with Respect to the Wrongful Death Claims

Points Allocation Matrix		
Criteria	Points per Criteria	
1. Age of the decedents	<u>Age of Decedent</u> <ul style="list-style-type: none"> • Less than 18 • 18 to less than 26 • 26 to less than 60 • 60 to less than 66 • 66 and greater 	<u>Points</u> <ul style="list-style-type: none"> • 3 • 8 • 10 • 8 • 3
2. If decedent survived by children	<u>Age of Surviving Children</u> <ul style="list-style-type: none"> • Less than 21 • 21 to less than 31 • 31 to less than 51 • 51 and greater 	<u>Points</u> <ul style="list-style-type: none"> • 15 • 7 • 5 • 3
3. If decedent is survived by a spouse	<u>Annual Income of Decedent</u> <ul style="list-style-type: none"> • Less than \$20,000 • \$20,000 to less than \$50,000 • \$50,000 to less than \$75,000 • \$75,000 to less than \$100,000 • \$100,000 and greater 	<u>Points</u> <ul style="list-style-type: none"> • 12.50 • 15.00 • 16.25 • 17.50 • 18.75
4. If decedent is survived by a spouse but no children	<ul style="list-style-type: none"> • If parents, 5 additional points • If no parents, but siblings, then 2.5 points per sibling to a maximum of 7.5 points 	
5. If decedent is not survived by a spouse or child and the decedent <u>is a minor</u>	<ul style="list-style-type: none"> • 10 points for each surviving parent and • 5 points for each surviving sibling 	
6. If decedent is not survived by a spouse or child and the decedent <u>is not a minor</u>	<ul style="list-style-type: none"> • 5 points for each surviving parent and • 2.5 points for each surviving sibling 	
7. If decedent is survived by a <u>parent, a¹ child, a grandparent or a grandchild²</u>	<ul style="list-style-type: none"> • Set aside of 5%³ <u>20% for distribution</u>⁴ to parents and^{5 6} siblings, <u>grandparents and grandchildren</u>⁷ with a potential reallocation to ensure a minimum payment of \$25,000 to each parent and sibling, <u>and \$17,000 to each grandparent and grandchild</u>⁸ 	

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Montreal Maine & Atlantic Canada Co.
Schedule F
Distribution Mechanism with Respect to the Moral Damage Claims

	<u>Points</u>	<u>Estimate of claimants</u>	<u>Total points</u>	<u>%</u>	<u>Est. Dist.</u>	<u>Dist. per claim</u>
Trouble & Inconvenience	5.0	3,700	18,500	35.8%	\$11,472,000	\$3,100
<u>Evacuations</u>						
Per day of displacement	1.0	1,850	10,370	20.1%	6,430,000	620
Maximum	30.0					Par jour
Red Zone/Yellow Zone	50.0 <u>55.0</u>	140	7,000 <u>7,700</u>	13.5 <u>14.9</u> %	4,341,000 <u>4,774,000</u>	31,010 <u>34,100</u>
Grandparents and grandchildren (note 1)	15.0	50	750	1.5%	465,000	9,300
Post Traumatic Stress – short term (note 2)	50.0	100	5,000	9.7%	3,100,000	31,000
Post Traumatic Stress – long term (note 2)	100.0	100	10,000	19.3 <u>19.4</u> %	6,201,000	62,010
Bodily injury	50.0	2	100	0.2%	62,000	31,000
Buffer (note 3)					2,000,000 <u>2,032,000</u>	
Total (notes 1 &4)			<u>51,720 <u>51,670</u></u>	100%	\$34,071,000	

The above amounts are prior to any fees that may be claimed by the claimants' attorneys or the Class Representatives, as applicable

Note 1: This is a cumulative calculation, whereby one claimant can fall into more than one category, however wrongful death claimants cannot claim for post traumatic stress.

Note 2: For those who have been given a ~~medical~~clinical diagnosis of post traumatic stress, a depressive disorder, an anxiety disorder and/or otherwise remain under medical and/or clinical care for mental health issues arising from the disaster and for those who were present in the red zone at the time of the derailment. In order to qualify in this category and to determine if you qualify for short term or long term post traumatic stress further details will be required by the Monitor.

Note 3: To be used for any increase in the post traumatic stress category (if any) and thereafter any unused portion will be distributed to ~~all the other categories of moral damages~~ "displacement" and "Red Zone/Yellow Zone" claimants on a pro rata basis.

Note 4: The final amounts may vary depending on further information received.

Doc 1408472 v1

Document comparison by Workshare Compare on Monday, April 13, 2015 5:33:20 PM

Input:	
Document 1 ID	interwovenSite://PRS-IMAN2/PRiManage/1414994/1
Description	#1414994v1<PRiManage> - Montreal Maine Atlantic Canada Co - Schedule F - Class Action Amendments (3)
Document 2 ID	interwovenSite://prs-iman2/PRiManage/1414994/2
Description	#1414994v2<PRiManage> - Montreal Maine Atlantic Canada Co - Schedule F - Class Action Amendments (3)
Rendering set	standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	11
Deletions	17
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	28

Document comparison by Workshare Compare on Monday, April 06, 2015 3:28:45 PM

Input:	
Document 1 ID	interwovenSite://PRS-IMAN2/PRiManage/1408520/1
Description	#1408520v1<PRiManage> - Montreal Maine & Atlantic Canada Co - Schedule G - Distribution Mechanism with respect to the Property and Economic Damages Claims - Apr 6/15
Document 2 ID	interwovenSite://PRS-IMAN2/PRiManage/1408520/2
Description	#1408520v2<PRiManage> - Montreal Maine & Atlantic Canada Co - Schedule G - Distribution Mechanism with respect to the Property and Economic Damages Claims - Apr 6/15
Rendering set	standard

Legend:	
Insertion	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Redline Summary:		
No.	Change	Text
1	Change	"these claims will be...a pro-rata basis to the" changed to "these claims will be allocated to the"
2-3	Change	"to the value of the claims in the other" changed to "to the payment of the claims in the other"
4-5	Change	"of the claims in the...in Sections 4.2" changed

		to "of the claims in the...in Sections 4.2"
6-7	Change	"described in Sections 4.2(a)(b)(d) and (e)." changed to "described in Sections 4.2...the Plan as Schedule I."
8-9	Change	"Doc 1408520 v1" changed to "Doc 1408520 v2"

Statistics:	
	Count
Insertions	4
Deletions	5
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	9

Montreal Maine & Atlantic Canada Co.
Schedule G
Distribution Mechanism with Respect to the Property and
Economic Damages Claims

- Property and Economic Damages Claims will be valued pursuant to the Claims Resolution Order.
- The value of the Property and Economic Damages Claims is currently estimated at \$75 million.
- Following the valuation of the Property and Economic Damages Claims pursuant to the Claims Resolution Order, creditors having Proven Claims will be paid on a pro-rata basis.
- In the event that, following the review of these claims pursuant to the Claims Resolution Order, the aggregate value of the Property and Economic Damages Claims is reduced below \$75 million, the difference between the amount of \$75 million and the revised aggregate value of these claims will be allocated ~~on a pro-rata basis~~¹ to the ~~value~~² payment³ of the claims in the other ~~categories~~⁴ category⁵ described in Sections 4.2 ~~(a)(b)(d) and (e)~~⁶ (b) of the Plan, or, in the discretion of the Class Representatives, to the funding of an economic revitalization plan substantially in the form appended to the Plan as Schedule I⁷.

Any distributions made may be subject to fees that may be claimed by the claimants' attorneys or the Class Representatives, as applicable.

(all amounts are in Canadian dollars)

