

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

In re:

MONTREAL, MAINE & ATLANTIC
CANADA CO.,

Foreign Applicant in Foreign Proceeding.

Chapter 15

Case No. 15-_____

**MOTION FOR ENTRY OF AN ORDER RECOGNIZING AND ENFORCING
THE PLAN SANCTION ORDER OF THE QUÉBEC SUPERIOR COURT**

Richter Advisory Group Inc. is the court-appointed monitor (the “Monitor”) and authorized foreign representative of Montreal, Maine & Atlantic Canada Co. (“MMA Canada”) in a proceeding (the “Canadian Proceeding”) under Canada’s *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, pending before the Québec Superior Court of Justice (Commercial Division) (the “Québec Court”). The Monitor has contemporaneously commenced a chapter 15 case ancillary to the Canadian Proceeding by filing the *Verified Petition for Recognition of Foreign Proceeding and Related Relief (With Memorandum of Law)* [D.E. 2] (the “Chapter 15 Petition”).

The Monitor moves this Court (the “Motion”) pursuant to sections 105(a), 1507, and 1521 of title 11 of the United States Code (the “Bankruptcy Code”) for entry of an order recognizing and enforcing the *Decision Sanctioning the Plan of Compromise and Arrangement* dated July 13, 2015, including any extensions or amendments thereof (the “Plan Sanction Order”) sanctioning MMA Canada’s *Plan of Compromise and Arrangement* dated June 8, 2015 (as the same may be amended, revised or supplemented in accordance with its terms, the “CCAA Plan”). In support of this Motion, the Monitor respectfully states as follows:

JURISDICTION AND VENUE

1. The United States District Court for the District of Maine (the “District Court”) has original but not exclusive jurisdiction over this proceeding pursuant to 28 U.S.C. § 1334(b). Pursuant to 28 U.S.C. § 157 and Rule 83.6 of the District Court’s local rules, the District Court has authority to refer and has referred this chapter 15 case to this Court.

2. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P).

3. Venue over this chapter 15 case is proper in this district pursuant to 28 U.S.C. § 1410.

4. The statutory predicates for the relief requested herein are sections 105(a), 1507, and 1521 of the Bankruptcy Code.

BACKGROUND

5. For a more complete description of MMA Canada's business, corporate organization, capital structure, and circumstances leading to the Canadian Proceeding and the entry of the Plan Sanction Order (as defined below), the court is respectfully referred to the documents annexed as exhibits to the Declaration of Roger A. Clement, Jr. (the “Clement Declaration”) filed contemporaneously herewith. In addition, all of the pleadings, Orders, and Monitor’s reports filed in connection with the Canadian Proceeding may be viewed at the Monitors website: <http://www.richter.ca/en/folder/insolvency-cases/m/montreal-maine-and-atlantic-canada-co>.

A. Business Structure of MMA Canada

6. MMA Canada is a subsidiary of Montreal Maine & Atlantic Railway Ltd. (“MMA”), a Delaware corporation headquartered in Hermon, Maine, which operated rail lines in Maine and Vermont. MMA Canada is incorporated under the laws of the province of Nova Scotia, and specifically the *Companies Act*, R.S., c. 81, as an unlimited liability company. MMA

Canada has its registered office at 1959 Upper Water Street, Suite 800, Halifax, Nova Scotia Halifax, Nova Scotia, but, does not operate or hold any assets there. Before it sold its assets on June 30, 2014, all of MMA Canada's operations occurred in Quebec, Canada.

7. Prior to the commencement of the Canadian Proceeding, MMA Canada provided services as a shortline freight railway carrier operating various rail lines in the province of Québec, Canada.

8. MMA Canada operated rail lines in Québec in corridors extending from Saint-Jean to Farnham, from Bedford to Sainte-Rosalie, and from Farnham through Lac-Mégantic to the United States border, where it joined the rail lines of MMA. The transportation of products through Maine and Vermont was effected by MMA.

9. In effect, MMA Canada, with its parent, MMA, operated an integrated, international shortline freight railroad system (the "MMA System") that had 510 route miles of track in Maine, Vermont, and Québec. The MMA System was a substantial component of the transportation system of northern New England, Québec, and New Brunswick. Main-line operations in the MMA System were conducted regularly between Millinocket and Searsport, Maine, and from Brownville Junction, Maine, to Montreal, Québec. Service was also provided between Farnham, Québec and Newport, Vermont to connect with the northeastern U.S.

westbound trains to Montreal. As a whole, the MMA System provided:

- (a) The shortest rail transportation route between Maine and Montreal and a critical rail artery between Saint Johns, New Brunswick and Montreal;
- (b) Strategic links to the Canadian Pacific Railroad, the Canadian National Railroad, and Guilford Rail System and beyond to the North American rail system;
- (c) Outlets for major producers of paper, lumber, wood and agricultural products in eastern and northern Maine; and

- (d) In-bound transportation for chemicals and other products used by paper products and consumers in Maine.

10. While MMA Canada and MMA were formed as separate companies, their business operations and accounting systems were tightly integrated. Accordingly, MMA Canada and MMA shared the expenses and costs related to the management of both companies, including costs related to the head office of MMA, which is located in the United States.

11. However, MMA Canada and MMA each assumed their own particular expenses (specifically incurred by the entity for its own operations). As a result, MMA Canada was responsible for expenses incurred solely in relation to the operation of its business, such as the payment of employees of MMA Canada, payment of its suppliers, and payment for its office in Farnham and its fuel consumption in Canada. MMA collected substantially all of the income realized by MMA Canada and MMA, and transferred the portion of income required to fund MMA Canada's costs and expenses to MMA Canada's bank account maintained at the Canadian Imperial Bank of Commerce in Toronto.

B. Events Leading to the Canadian Proceeding

12. On July 6, 2013, an unmanned eastbound MMA train with 72 carloads of crude oil and 5 locomotive units, derailed in Lac-Mégantic, Quebec (the "Derailement"). The transportation of the crude oil had begun in New Town, North Dakota, by the Canadian Pacific Railway ("CP") and MMA Canada later accepted the rail cars from CP at CP's yards in Montreal, Quebec. The crude oil was to be transported via the Saint-Jean-Lac-Mégantic line through Maine to its ultimate destination in Saint John, New Brunswick.

13. The Derailment set off several massive explosions, destroyed part of downtown Lac-Mégantic, resulting in the death of 47 people.¹ A large quantity of oil was released into the environment, necessitating an extensive cleanup effort which is still ongoing. As a result of the Derailment and the related injuries, deaths, and property damage, lawsuits were filed against MMA and MMA Canada both in the United States and Canada.

14. Accordingly, MMA Canada, along with MMA, faced significant claims for wrongful death, property and environmental damage, among other claims. Meanwhile, although MMA Canada deployed efforts to maintain railway transportation services where possible to its customers in Québec, its railway transportation services were greatly reduced in Québec, and were reduced by MMA in the United States, as a result of the inability to transit through Lac-Mégantic, greatly decreasing MMA and MMA Canada's cash flow.

15. Faced with significant claims resulting from the Derailment, and in light of the reduced service capacity of both MMA and MMA Canada as a result of the Derailment and the resulting decrease in cash flow, MMA Canada and MMA filed reorganization proceedings in Canada and the United States, respectively. On August 6, 2013, MMA Canada filed the *Petition for Issuance of an Initial Order*, later amended on August 8, 2013, and the Québec Court entered an *Initial Order*² commencing the Canadian Proceeding and granting an initial stay against MMA Canada and its property to September 6, 2013. Likewise, in the United States, MMA filed a Chapter 11 petition in this Court on August 7, 2013, commencing case styled *In re Montreal Maine & Atlantic Railway, Ltd.*, Case No. 13-10670 (the "Chapter 11 Case").

¹ A forty-eighth death resulted when a volunteer fireman who had worked in the post-Derailment recovery effort committed suicide. Accordingly, a total of 48 decedents' estates may hold claims, *inter alia*, for wrongful death.

² The *Petition for Issuance of an Initial Order* and the *Initial Order* are annexed to the Clement Declaration.

16. On August 21, 2013, Robert J. Keach was appointed as the Chapter 11 trustee (“Trustee”) in the MMA case. Both MMA Canada and MMA filed their respective petitions to ensure that the best interests of all stakeholders and potential stakeholders, including the individuals asserting claims related to the Derailment, are realized, through a plan that will maximize the value of assets for all creditors and potential creditors. The Québec Court extended the initial stay as follows:

Order	Order Date	Amended Stay Period Termination Date
<i>Order</i>	September 4, 2013	October 9, 2013
<i>Order re Motion for a Second Order Extending the Stay Period</i>	October 9, 2013	January 28, 2014
<i>Order Regarding Motion for a Third Order Extending the Stay Period</i>	January 23, 2014	February 11, 2014
<i>Order Regarding Motion for a Fourth Order Extending the Stay Period</i>	February 11, 2014	February 26, 2014
<i>Order Regarding Motion for a Fifth Order Extending the Stay Period</i>	February 25, 2014	March 12, 2014
<i>Order Regarding Motion for a Sixth Order Extending the Stay Period</i>	March 12, 2014	April 30, 2014
<i>Order Regarding Motion for a Seventh Order Extending the Stay Period</i>	April 29, 2014	June 30, 2014
<i>Order Extending the Stay Period</i>	June 30, 2014	September 30, 2014
<i>Order for a Ninth Extension of the Stay Period Until November 24, 2014</i>	September 24, 2014	November 24, 2014
<i>Order for a Tenth Extension of the Stay Period Until January 12, 2015</i>	November 24, 2014	January 12, 2015
<i>Order for an Eleventh Extension of the Stay Period Until May 15, 2015</i>	January 12, 2015	May 15, 2015
<i>Order for the Convening, Holding and conduct of the Creditors Meeting in for a Twelfth Extension of the Stay until December 15, 2015</i>	April 15, 2015	December 15, 2015

C. Cross-Border Insolvency Proceedings

17. Shortly after the commencement of the cases, the Trustee and MMA Canada together with the Monitor negotiated a cross-border protocol to be implemented in both the Chapter 11 Case and the Canadian Proceeding, which enhanced the coordination and harmonization of proceedings in the two cases.

18. On September 3, 2013, MMA Canada filed the *Motion for an Order Extending the Stay Period and to Approve a Cross-Border Insolvency Protocol* and on September 4, 2013, the Québec Court entered an *Order* adopting the Cross-Border Protocol.³

D. Litigation

19. Beginning on July 22, 2013 and continuing through August 14, 2013, the representatives and administrators of the estates of some of the Derailment victims commenced civil actions against MMA and other co-defendants in the Circuit Court of Cook County, Illinois (the “Circuit Court”). In total, twenty civil actions were commenced in the Circuit Court (the “PITWD Cases”).

20. On July 15, 2013, certain parties seeking to represent Derailment victims in Québec filed a *Motion to Authorize the Bringing of a Class Action and to Ascribe the Status of Representative* in the Québec Superior Court for the Judicial District of Mégantic (the “Québec Class Action”). The petitioners sought to represent a class consisting of all persons or entities, as well as their heirs and successors, suffering a loss of any kind related to the Derailment. MMA and MMA Canada were putative defendants, among others, in the Québec Class Action.

21. In addition to the PITWD Cases and the Québec Class Action, several other claims for environmental damage, property damage, and business interruption have been alleged, including claims by the Province of Québec, the village of Lac-Mégantic, and the federal government of Canada. The total amount of all of these claims was estimated to be in the hundreds of millions of dollars.

E. Sale Process

³ These documents are annexed to the Clement Declaration.

22. Following the Derailment, MMA and MMA Canada were in default with their secured lenders and were incurring significant operating losses. Given MMA and MMA Canada's reduced cash flow, continued operating losses, increased liabilities, litigation costs, and denial of insurance coverage, a bankruptcy filing was the only option to preserve the value of the MMA System.

23. MMA Canada, the Trustee, together with the Monitor and in consultation with the Federal Railroad Administration, determined that a sale of the assets of both MMA and MMA Canada, on a going concern basis, was in the best interests of creditors of both debtors. In order to preserve the going concern value of MMA and MMA Canada's assets, the sale had to occur on an expedited basis.

24. The Trustee, with MMA Canada together with the Monitor, held discussions and negotiations with potential purchasers to sell substantially all of MMA's assets in conjunction with a sale of substantially all of the assets of MMA Canada (the "Sale"). These discussions and negotiations eventually led to the selection of Railroad Acquisition Holdings LLC ("RAH") as a stalking horse bidder in an auction for the Sale.

25. On December 12, 2013, the Trustee filed a motion for approval of bid procedures and a motion for authority to sell substantially all of its assets under an asset purchase agreement between the Trustee, MMA Canada, and RAH.

26. On December 19, 2013, the Bankruptcy Court entered an order approving the bid procedures.

27. Similarly, on December 12, 2013, MMA Canada filed with the Québec Court a motion for the authority to sell its assets pursuant to the asset purchase agreement with RAH. On

December 16, 2013, MMA Canada filed with the Québec court a motion seeking approval of bid procedures.

28. On December 19, 2013, the Québec Court entered an order approving the bid procedures, including a sale auction.

29. On January 19, 2014, MMA Canada filed a motion seeking approval of the sale of its assets and for a vesting order. The auction was held on January 21, 2014. The bid of the stalking horse--RAH--was declared the successful bid. On January 23, 2014, the Québec Court entered the *Approval and Vesting Order* approving the sale of the MMA Canada assets as part of the sale of the MMA's Assets.⁴

30. The sale of MMA's assets closed on May 15, 2014, and upon final regulatory approval, the sale of the MMA Canada assets closed on June 30, 2014. In total, the Sale resulted in a \$14,250,000 net payment to MMA and MMA Canada.

F. Executory Contracts and Unexpired Leases

31. On January 17, 2014, MMA Canada filed the *Motion for an Order Approving and Authorizing the Assignment of Contracts*, and on January 23, 2014, the Québec Court entered the *Order Approving and Authorizing the Assignment of Contracts*.

G. Claims Bar Date

32. The Monitor, the Trustee, MMA Canada, and other interested parties engaged in extensive negotiations for the development of a cross-border bar date and claims procedure. This coordination was critical to avoid creditor confusion, and to streamline proceedings in the two cases aiding in the efficient and timely resolution and payment of claims to the benefit of all creditors.

⁴ These documents are annexed to the Clement Declaration.

33. On December 13, 2013, MMA Canada filed the *Motion for an Order Approving a Process to Solicit Claims and For the Establishment of a Claims Bar Date*. The Trustee filed a similar motion in the Chapter 11 Case. On February 4, 2014, the Québec Class Action plaintiffs filed in the Québec Court the *Cross-motion of the Class Action Plaintiffs for an Order Approving a Process to Solicit Claims and for the Establishment of a Claims Bar Date*.

34. On April 4, 2014, the Québec Court entered the *Claims Procedure Order* setting the claims bar date as June 13, 2014. On June 13, 2014, the *Amended Claims Procedure Order* was entered to extend the deadline to file proofs of claim for wrongful death to July 14, 2014. The Bankruptcy Court entered similar orders in the Chapter 11 Case.

H. CCAA Plan Process

35. On January 9, 2015, MMA Canada filed a *Motion for an Eleventh Order Extending the Stay Period*, including a draft *Plan of Compromise and Arrangement* (the “Draft CCAA Plan”). MMA Canada sought additional time to finalize settlement agreements with various parties, as well as sufficient time under the stay to obtain approval of and execute the Draft Plan. On January 12, 2015, the Québec Court approved the motion. On April 10, 2015, MMA Canada filed a Motion for an Order for the Convening, Holding and Conduct of a Creditors Meeting and for a Twelfth Extension of the Stay Period. On April 15, 2015, the Québec Court entered an *Order for the Convening, Holding and Conduct of the Creditors Meeting and for a Twelfth Extension of the Stay Period until December 15, 2015*.

36. On March 31, 2015, MMA Canada filed the *Plan of Compromise and Arrangement Dated March 31, 2015*. On June 8, 2015, MMA Canada filed an *Amended Plan of Compromise and Arrangement Dated June 8, 2015* (the “CCAA Plan”). The CCAA Plan was crafted to work in conjunction with MMA’s chapter 11 plan in distributing funds to victims of

the Derailment. On May 6, 2015, CP filed pleadings arguing that the Québec Court lacked jurisdiction to hear the MMA Canada case under the CCAA and opposing the CCAA Plan. On June 17, 2015, the Québec Court held a hearing on MMA Canada's motion for approval of the CCAA Plan, and took the issues before it under advisement. On July 13, 2015, the Québec Court approved the CCAA Plan by issuing the *Judgment on Motion for Approval of the Plan of Arrangement* (the “Plan Sanction Order”).⁵

37. On July 7, 2015, the Trustee filed the *First Amended Disclosure Statement for the Trustee’s Plan of Liquidation dated July 7, 2015* (the “Disclosure Statement”)

38. The Trustee filed the *Trustee’s Plan of Liquidation dated March 31, 2015*, later amended by the *Trustee’s First Amended Plan of Liquidation dated July 7, 2015* (the “Chapter 11 Plan”)

39. On July 17, 2015, the Court entered an *Order Approving (I) the Proposed Disclosure Statement; (II) Establishing Notice, Solicitation, and Voting Procedures; (III) Scheduling Confirmation Hearing; and (IV) Establishing Notice and Objection Procedures for Confirmation of the Plan* approving the Disclosure Statement and providing related relief.

I. The Settlement Agreements

40. The Monitor, Trustee, MMA, and MMA Canada have worked collectively since the commencement of the cases to engage in settlement discussions with various parties identified as potentially liable for damages arising from the Derailment. As a result of these negotiations, approximately 25 entities or groups of affiliated entities have entered into settlement agreements, whereby the “Released Party” (as defined in those agreements) will contribute to a settlement fund in exchange, *inter alia*, for a full and final release of all claims arising out of the Derailment, including any claims for contribution and/or indemnity (including

⁵ The CCAA Plan and the Plan Sanction Order are attached to the Clement Declaration.

contractual indemnity) asserted by third parties, as well as the protection of a global injunction barring assertion of any Derailment-related claims against the Released Parties. The settlement fund is, as of the date hereof, approximately (CDN) \$431 million.⁶ The CCAA Plan, *inter alia*, implements the settlement fund.

41. As of the filing of this Petition and the CCAA Plan, the Released Parties include all parties named in lawsuits brought in the United States by or on behalf of Derailment victims, the US Legal Representatives (as defined below), the Province of Québec, and the Trustee arising out of the Derailment, other than CP. Settlements have been reached with oil producers, tank car lessors, insurance companies, as well as all of the directors and officers of MMA and MMA Canada and various companies related to one or more of the directors. CP is the sole remaining “Non-Released” (*i.e.*, non-settling) Party. To the extent a settlement is not reached with CP, it is expected that litigation will commence and/or continue against CP to recover damages.

J. Plan Approval

42. Approval of creditors at a properly called creditors’ meeting is a prerequisite to entry of an order – known as a “plan sanction order” – approving a plan under the CCAA. On June 9, 2015, the statutorily required meeting of creditors was held (the “Meeting of Creditors”) in Lac-Mégantic, where the CCAA Plan was approved with 3,879 positive votes representing approximately (CDN) \$694 million of claims. No negative votes were cast.

43. On June 17, 2015, a hearing was held before the Québec Court for the approval of the CCAA Plan (the “Sanction Hearing”). At the Sanction Hearing, no claimants who voted at the Meeting of Creditors opposed the sanctioning of the CCAA Plan.

⁶ Canadian funds are calculated using an exchange rate of approximately \$1.25 Canadian to \$1.00 U.S., which was the approximate rate as of June 8, 2015. The actual amount available for distribution will fluctuate along with the exchange rate.

44. Of the 26 entities included in various litigation as potentially liable for claims arising from the Derailment, only CP has failed to enter into a settlement agreement with the Trustee and the Monitor. As the sole holdout, CP, not surprisingly, opposed approval of the CCAA Plan. Notwithstanding CP's opposition, on July 13, 2015, the Québec Court approved the CCAA Plan by entering the Plan Sanction Order.

45. Under its terms, the CCAA Plan will become effective upon the Approval Orders (as defined in the CCAA Plan) becoming final Orders.⁷

K. Summary of the CCAA Plan

46. The CCAA Plan is the result of many months of multilateral discussion between MMA Canada's counsel, the Monitor, the Monitor's counsel, the Trustee, MMA Canada's principal stakeholders, namely the Province of Québec, the Class Representatives, the attorneys for victims of the Derailment in the Chapter 11 Case (the "US Legal Representatives"), and the third parties who entered into the settlement agreements described above (the "Released Parties" and collectively, the "Major Stakeholders"), the purpose of which was to negotiate contributions by the Released Parties to a settlement fund (the "Settlement Fund") to be distributed to Derailment⁸ victims.

47. The allocation of the Settlement Funds, as described in the CCAA Plan, among and within the categories of creditors has been the result of intensive discussions with and compromises among the Major Stakeholders. In exchange for contributions to the Settlement

⁷ Under the CCAA Plan, the Approval Orders are (i) the Plan Sanction Order, (ii) an order confirming the Chapter 11 Plan or an order under chapter 15 for enforcement and recognition of the Plan Sanction Order; and (iii) an order in the Québec Class Action declaring that the Plan Sanction Order and the chapter 11 Plan confirmation order are binding and given full effect against the parties designated and part of the Québec Class Action.

⁸ Capitalized terms not defined herein have the meaning ascribed to them in the CCAA Plan.

Fund, the CCAA Plan provides the Released Parties with full, complete and final releases in both Canada and the United States from all litigation relating to the Derailment.

48. For non-settling third parties, the CCAA Plan provides that all litigation already commenced in Canada and the United States against such non-settling party may be continued and all parties will be free to institute new litigation in any jurisdiction.

49. Based on the information available as of the date hereof, the distribution to the various categories of claims can be summarized as follows:

(All in Canadian Dollars)	Estimated Distribution (prior to redistribution)	% Distribution (prior to redistribution)	Reallocated Dividends from Governments	Total Estimated Distribution
Wrongful Death Claims	\$98,798,714	24.1%	\$12,422,714	\$111,221,428
Bodily Injury and Moral Damages Claims	\$42,635,130	10.4%	\$6,211,357	\$48,846,487
Property and Economic Damages Claims	\$36,895,785	9%	\$4,658,518	\$41,554,303
Subrogated Insurer Claims	\$16,808,080	4.1%	--	\$16,808,080
Province	\$193,148,733	89.9% (of Government Claims)	(\$13,383,000)	\$179,765,733
Attorney General	\$9,909,589	4.6% (of Government Claims)	(\$9,909,589)	--
Lac-Mégantic	\$9,437,703	4.4% (of Government Claims)	--	\$9,437,703
CSST	\$2,319,437	1.1% (of Government Claims)	--	\$2,319,437
Total	\$409,953,171		--	\$409,953,171

50. The CCAA Plan provides that all Affected Claims shall be fully, finally, irrevocably and forever compromised, remised, released, discharged, cancelled and barred on the CCAA Plan Implementation Date as against the Released Parties. Moreover, all debentures, indentures, notes, certificates, agreements, invoices, and other instruments evidencing Affected Claims are cancelled as of the CCAA Plan Implementation Date. The CCAA Plan also contains releases in favor of directors and officers of MMA Canada.

51. The CCAA Plan provides for a permanent injunction against any person from commencing or continuing any action on account of a claim released under the CCAA Plan.

52. Lastly, the CCAA Plan provides that the Monitor will seek recognition and enforcement of the CCAA Plan and of the Plan Sanction Order in this Court pursuant to chapter 15 of the Bankruptcy Code.

L. Certain Terms of the Plan Sanction Order

53. The terms of the Plan Sanction Order include, among others:

- (a) approval of the CCAA Plan and authorization of the Monitor to take all steps necessary or appropriate to implement the CCAA Plan;
- (b) specific terms related to the compromises and releases of Affected Claims as set out in the CCAA Plan (and described above);
- (c) a permanent stay and injunction related to all claims released under the CCAA Plan; and
- (d) a request for foreign aid and recognition from other courts.

54. The Plan Sanction Order authorizes the Monitor to act as the foreign representative in respect of the Canadian Proceeding for the purposes of a filing in the United States under chapter 15 of the Bankruptcy Code, and authorizes the Monitor to make such further applications, motions or proceedings to or before such other courts as may be necessary to give effect to the Plan Sanction Order and any other order granted by the Québec Court. Plan

Sanction Order at ¶125. Moreover, the Plan Sanction Order requests the aid and recognition of, *inter alia*, any federal court in the United States to act in aid of and to be complementary to the Québec Court in carrying out the terms of the Plan Sanction Order. *Id.* at ¶126.

RELIEF REQUESTED

55. The Monitor brings this Motion to ensure that the terms of the CCAA Plan and the Plan Sanction Order are given full force and effect in the United States. By this Motion, the Monitor seeks entry of an order from this Court recognizing and enforcing the Plan Sanction Order, and any extensions or amendments thereof, pursuant to section 105(a), 1507, and 1521 of the Bankruptcy Code and granting such other and further relief as is appropriate under the circumstances.

BASIS FOR RELIEF

56. For the reasons more fully discussed in the Memorandum of Law filed contemporaneously herewith, the Monitor is entitled to recognition and enforcement of the Plan Sanction Order, and any extensions or amendments thereof authorized by the Québec Court, in the United States under sections 105(a), 1507, and 1521 of the Bankruptcy Code.

57. Among other reasons, in the Plan Sanction Order, the Québec Court expressly authorized and directed the Monitor to seek such relief in this Court as necessary to give effect to the order. Moreover, the Québec Court expressly requested the assistance of courts in the United States in giving effect to the Plan Sanction Order. The Monitor believes that enforcement of the Plan Sanction Order in connection with the Chapter 15 Petition is necessary to give effect to such orders in the United States. Thus, in addition to the reasons set forth above, this Court should give full force and effect in the United States to the Plan Sanction Order under well-established

principles of international comity, as embodied and expressed in section 1501, 1509, and 1525 of the Bankruptcy Code.

NOTICE

58. The Monitor requests a finding that service of this Motion and notice of hearing on this Motion given in the following manner to the following persons be approved as adequate and sufficient pursuant to Bankruptcy Rules 2002(q), 2002(m), 9007, and 9008: service by United States mail and/or Canadian mail (as appropriate), first-class postage prepaid or by overnight courier, or by e-mail if authorized by the relevant creditor or party and by publication of notice in *The Wall Street Journal* (National Edition) and *The Globe and Mail* (Canada), upon (a) all known U.S.-based creditors or their counsel, (b) the Office of the United States Trustee for the District of Maine, (c) counsel to the Creditors' Committee in the Chapter 11 Case, (d) all parties (or their counsel) to any litigation pending in the United States or Canada to which MMA or MMA Canada is a party or has been a party at any time since August 6, 2013, including without limitation counsel in the PITWD Cases and counsel in the Québec Class Action, (e) all parties that request or have requested notice pursuant to Bankruptcy Rule 2002, (f) all Released Parties, and (g) all known Canadian-based creditors, or their counsel. The Monitor requests that the foregoing be approved as adequate and sufficient notice of this Motion under Bankruptcy Rules 2002, 9007, and 9008.

CONCLUSION

WHEREFORE, the Monitor requests that the Court enter an order (a) recognizing and enforcing the Plan Sanction Order of the Québec Court dated July 13, 2015, including any extensions or amendments thereof; and (b) granting such other and further relief as is appropriate under the circumstances.

Dated: July 20, 2015

RICHTER ADVISORY GROUP INC.,
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