

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE**

In re:

MONTREAL MAINE & ATLANTIC
RAILWAY, LTD.

Debtor.

Bk. No. 13-10670
Chapter 11

**FOURTH AND FINAL APPLICATION FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR DEVELOPMENT SPECIALISTS, INC.,
AS FINANCIAL ADVISOR FOR THE TRUSTEE, ROBERT J. KEACH, FOR THE
PERIOD FROM NOVEMBER 1, 2015 THROUGH DECEMBER 22, 2015**

Name of Applicant: Development Specialists, Inc.

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

Petition Date: August 7, 2013

Date of Retention: August 29, 2013, nunc pro tunc to
August 21, 2013

Period for Which Compensation and Reimbursement is Sought: November 1, 2015 through and including
December 22, 2015

Total Amount of Compensation sought as actual, reasonable and necessary: \$51,225.50

Total Amount of Expenses sought as actual, reasonable and necessary: \$4,921.59

Total Fees and Expenses Requested: \$56,147.09

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

PRIOR FEE APPLICATIONS

Date Filed	Period Covered	Requested		Approved/Received	
		Fees	Expenses	Fees	Expenses
5/12/14	August 21, 2013 – April 30, 2014	\$670,237.00	\$63,463.31	\$670,237.00	\$63,463.31
10/24/14	May 1, 2014 – September 30, 2014	\$344,375.00	\$30,197.44	\$344,375.00	\$30,197.44
11/9/15	October 1, 2014 – October 31, 2015	\$330,613.00	\$18,974.94	\$330,613.00	\$18,974.94

SUMMARY BY TIMEKEEPER OF SERVICES RENDERED

NAME OF PROFESSIONAL	HOURLY BILLING RATES	TOTAL BILLED HOURS	TOTAL COMPENSATION
Fred Caruso	\$650.00	64.6	\$41,990.00
Fred Caruso (travel)	\$325.00	8.8	\$2,860.00
Brian Calvert	\$580.00	3.0	\$1,740.00
Eric Held	\$435.00	1.3	\$565.50
Matt Farnsworth	\$275.00	14.8	\$4,070.00
TOTAL		92.5	\$51,225.50

Blended professional hourly rate: \$453.00

COMPENSATION BY FEE CATEGORY FOR SERVICES

FEE CATEGORY	HOURS	AMOUNT
Fee Application and Client Billing	3.2	\$2,080.00
Business Analysis	16.3	\$9,732.50
Monthly Operating Reports	8.3	\$2,357.50
Preference Analysis	0.7	\$380.00
Claims Analysis/Objections	27.9	\$17,460.00
Record Storage	13.1	\$8,515.00
Wind Down Operations	2.6	\$1,690.00
Litigation Support	11.6	\$6,150.50
Travel	8.8	\$2,860.00
TOTAL	92.5	\$51,225.50

EXPENSE SUMMARY FOR SERVICES RENDERED

CHARGES & DISBURSEMENTS	AMOUNTS
Airfare	\$3,049.90
Lodging	\$661.05
Meals	\$241.01
Rental Car	\$159.81
Parking, etc.	\$309.55
Long Distance Telephone	\$195.50
Photocopies (at \$0.10/page)	\$251.85
Postage	\$6.05
Overnight Delivery	\$46.87
TOTAL	\$4,921.59

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**FOURTH AND FINAL APPLICATION FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR DEVELOPMENT SPECIALISTS, INC., AS
FINANCIAL ADVISOR FOR THE TRUSTEE, ROBERT J. KEACH, FOR THE PERIOD
FROM NOVEMBER 1, 2015 THROUGH DECEMBER 22, 2015**

Development Specialists Inc. (“DSI”), financial advisor to Robert J. Keach, the duly appointed chapter 11 trustee (the “Trustee”) in the above-captioned chapter 11 case of Montreal Maine & Atlantic Railway, Ltd. (the “Debtor”), submits this fourth and final application (the “Fee Application”) seeking (a) entry of an order approving on a final basis the fees and expenses already approved on an interim basis as set forth below and (b) awarding compensation for professional services and reimbursement of expenses on a final basis for the period from November 1, 2015 through and including December 22, 2015 (the “Compensation Period”). In support of the Fee Application, DSI states as follows:

JURISDICTION AND VENUE

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

BACKGROUND

2. On August 7, 2013 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of 11 U.S.C. § 101 *et seq.* (the “Bankruptcy Code”), in the United States Bankruptcy Court for the District of Maine (the “Bankruptcy Court”). On August 21, 2013, the United States Trustee (the “U.S. Trustee”) appointed the Trustee to serve in the Debtor’s chapter 11 case (the “Case”) pursuant to 11 U.S.C. § 1163.

A. DSI’s Retention

3. On August 26, 2013, the Trustee filed his *Application for Order, Pursuant to Sections 327 and 328 of the Bankruptcy Code, Authorizing the Employment of Development Specialists Inc., as Financial Advisor for the Trustee Nunc Pro Tunc to August 21, 2013* [Docket No. 100] (the “Retention Application”). Thereafter, on August 29, 2013, the Court entered an order authorizing the employment of DSI as financial advisor to the Trustee pursuant to sections 327 and 328 of the Bankruptcy Code [Docket No. 119] (the “Retention Order”).

4. As set forth in the Retention Order, DSI is authorized to, inter alia:

- (a) Analyze and comment on operating and cash flow projections, operating results, financial statements, other documents and information provided by the Debtor, and other data pursuant to the Trustee’s request;
- (b) Advise and assist the Trustee in reviewing the Debtor’s supporting information relating to any historical financial information, financial projections and underlying assumptions;
- (c) Advise and assist the Trustee with respect to evaluation of whether liabilities are pre-or post-petition;
- (d) Advise the Trustee in connection with the Debtor’s preparation of various financial reports for submission to the Court, including monthly operating reports, schedules of assets and liabilities, and statements of financial affairs for the Debtor;
- (e) Assist the Trustee with preparation of information for both the disclosure statement and plan of reorganization, including estimation of various recovery values by claims class;

- (f) Provide testimony on related matters, as appropriate; and
- (g) Provide any other reasonably related financial advisory or management consulting services that the Trustee may, from time to time, request.

See Retention Order, ¶ 4.

5. The Retention Order further provides that DSI shall receive compensation on an hourly basis and in accordance with the applicable provisions of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Rules, the United States Trustee Guidelines for Reviewing Applications for Compensation & Reimbursement of Expenses filed under 11 U.S.C. § 330 (the “UST Guidelines”), and any applicable orders of the Court. See Retention Order, ¶¶ 1–2; see also Retention Application, ¶¶ 15–16.

6. On October 1, 2014, the Trustee filed the *Motion Pursuant to Sections 327 and 328 of the Bankruptcy Code to Amend the Terms of Retention of Development Specialists, Inc., as Financial Advisor to the Trustee Nunc Pro Tunc to August 11, 2014* [Docket No. 1130] (the “Amended Retention Application”). The Amended Retention Application sought to expand the scope of DSI’s retention to include DSI to provide certain services to Central Maine & Quebec Railway US, Inc. (“CMQ”). See Amended Retention Application, ¶ 9. For these services, CMQ shall remit payment to the Debtor and the Debtor shall use payment received “to pay the associated fees and expenses requested by DSI in an interim or final application for compensation and reimbursement to the extent approved the Bankruptcy Court” Id. On October 27, 2014, the Court entered an order granting the Amended Retention Application and amending the terms of DSI’s retention [Docket No. 1175] (the “Amended Retention Order”).

B. DSI’s Prior Interim Fee Applications

7. On May 12, 2014, DSI submitted the *First Interim Application for Compensation and Reimbursement of Expenses for Development Specialists, Inc., as Financial Advisor to the*

Trustee, Robert J. Keach, for the Period from August 21, 2013 Through April 30, 2014 [Docket No. 872] (the “First Fee Application”). On June 11, 2014, this Court awarded DSI fees in the amount of \$670,237.00 and expenses in the amount of \$63,463.31 with respect to the First Fee Application. See *Order Granting First Interim Application for Compensation and Reimbursement of Expenses for Development Specialists, Inc., as Financial Advisor for the Trustee, Robert J. Keach, for the Period from August 21, 2013 Through April 30, 2014* [Docket No. 965] (the “First Fee Order”). As of the date of this Fee Application, all fees and expenses requested in the First Fee Application have been paid.

8. On October 24, 2014, DSI submitted the *Second Interim Application for Compensation and Reimbursement of Expenses for Development Specialists, Inc., as Financial Advisor for the Trustee, Robert J. Keach, for the Period from May 1, 2014 Through September 30, 2014* [Docket No. 1168] (the “Second Fee Application”). On November 19, 2014, this Court award DSI fees in the amount of \$344,375.00 and expenses in the amount of \$30,197.44 with respect to the Second Fee Application. See *Order Granting Second Interim Application for Compensation and Reimbursement of Expenses for Development Specialists, Inc., as Financial Advisor for the Trustee, Robert J. Keach, for the Period from May 1, 2014 Through September 30, 2014* [Docket No. 1250] (the “Second Fee Order”). As of the date of this Fee Application, all fees and expenses requested in the Second Fee Application have been paid.

9. On November 9, 2015, DSI submitted the *Second Interim Application for Compensation and Reimbursement of Expenses for Development Specialists, Inc., as Financial Advisor to the Trustee, Robert J. Keach, for the Period from October 1, 2014 Through October 31, 2011* [Docket No. 1840] (the “Third Fee Application”). On December 7, 2015, this Court awarded DSI fees in the amount of \$330,613.00 and expenses in the amount of \$18,974.94 with

respect to the Third Fee Application. *See Order Granting Third Interim Application for Compensation and Reimbursement of Expenses for Development Specialists, Inc., as Financial Advisor for the Trustee, Robert J. Keach, for the Period from October 1, 2014 Through October 31, 2015* [Docket No. 1895] (the “Third Fee Order,” and together with the First Fee Order and the Second Fee Order, the “Interim Fee Orders”). As of the date of this Fee Application, all fees and expenses requested in the Third Fee Application have been paid.

10. Since entry of the Retention Order, and throughout the Compensation Period, DSI has worked with the Trustee to meet the extraordinary challenges presented by this Case in a manner beneficial to the Debtor and the creditors of the Debtor’s estate. The following discussion and materials annexed hereto cover the major categories of services for which allowance of compensation is sought.

COMPENSATION AND REIMBURSEMENT REQUEST

11. DSI seeks allowance of compensation for professional services in the amount of \$51,225.50 and reimbursement of expenses incurred in rendering such services in the amount of \$4,921.59. Pursuant to Rule 2016(a) of the Federal Rules of Bankruptcy Procedure and Local Rule 2016-1(a)(3)(i), a detailed statement of professional services provided by DSI to the Trustee during the Compensation Period (the “Billing Statement”) is set forth in **Exhibit A**, annexed hereto and incorporated herein by reference. DSI has carefully reviewed the Billing Statement on a line-by-line basis to ensure that services have been billed under the correct fee category.¹

12. Pursuant to Local Rule 2016-1(a)(3)(iv), a detailed statement setting forth billing rates, total hours billed, and total amounts billed for each professional at DSI during the

¹ DSI implemented fifteen (15) task codes for specific categories of work to permit a more detailed analysis of the fees incurred. Given the large range of issues involved, some overlaps and inconsistencies in task code assignments are inevitable despite DSI’s best efforts to ensure that work on a specific topic is billed to a single task code.

Compensation Period and associated expenses incurred is contained in the tables located at the beginning of this Fee Application.

13. No agreement or understanding exists between DSI and any other entity for the sharing of compensation sought by this Fee Application. In addition, no payments have been made or promised to DSI for services rendered or to be rendered in connection with the Case, except as set forth in the Retention Application.

14. As discussed in the Retention Application and the *Affidavit of M. Donald Gardner, Jr. in Support of First Day Pleadings* [Docket No. 11] (the "Gardner Affidavit"), DSI is one of the nation's oldest and most respected financial restructuring, consulting and management firms, and routinely operates, manages, and consults "troubled businesses" on behalf of lending institutions as well as other secured parties, bondholders, shareholder committees, court-approved fiduciaries, and business owners. DSI is experienced in all aspects of insolvency and bankruptcy consulting, and regularly serves as consultant to debtors in both chapter 7 and chapter 11 proceedings, as well as in other fiduciary capacities such as chapter 11 trustee, chapter 7 trustee, court-appointed examiner, post-confirmation trustee, federal equity receiverships and state court receiverships. Consultants from DSI have been involved in over 4,000 cases throughout the United States, Puerto Rico, the Virgin Islands, Canada and Europe. DSI has the necessary background to deal effectively with the financial issues and problems that have arisen and may arise in the context of the Case and has rendered financial advice to the Trustee in an efficient and timely manner. Pursuant to Local Rule 2016-1(a)(3)(v), a brief biography of each DSI professional who has rendered services in connection with the fees and expenses described herein is set forth in Exhibit B, annexed hereto and incorporated herein by reference.

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

SUMMARY OF SERVICES

16. DSI serves as financial advisor to the Trustee with respect to all financial matters that arise in or relate to this Case. In rendering professional services to the Trustee, DSI's team includes professionals with extensive experience in financial analysis related to bankruptcy, asset sales and valuation, secured financing, and management (among other things). DSI professionals have worked closely with the Trustee and his other professionals to coordinate assignments in order to maximize efficiency and avoid any duplication of effort.

17. DSI does not wish to burden the Court with an overly detailed recitation of each and every matter with respect to which it has rendered services during the Compensation Period (all of which are detailed more fully in the Billing Statement). Accordingly, this Fee Application is intended to serve as a summary description of the more significant services rendered by DSI, and to highlight the benefits which have been conferred upon the creditors of the Debtor's estate as a result of DSI's efforts. The following section provides an overview of certain of the significant services rendered by DSI during the Compensation Period, organized by task code.

18. All of the services for which DSI requests compensation herein were rendered on behalf of the Trustee in connection with this Case, and all the time described on the attached exhibits represents the actual amount of time spent by DSI professionals who rendered the described services. The major services provided by DSI (by category) are summarized below:

A. Fees and Billing: Total \$2,080.00; Total Hours 3.2

This category consists primarily of Mr. Caruso's time for the monthly review of consultants' detailed invoices for accuracy and efficiency, approval of monthly invoice issued to the Trustee and preparation of the Third Fee Application.

B. Business Analysis: Total \$9,732.50; Total Hours 16.3

This category consists primarily of Mr. Caruso's time for the following tasks:

- (i) Monitoring daily cash flow and approve weekly disbursements;
- (ii) Preparing cash flow forecasts for use by Trustee;
- (iii) Preparing and respond to information requests from the Canadian monitor; and
- (iv) Maintenance of financial general ledger post-closing.

C. Monthly Operating Reports: Total \$2,357.50; Total Hours 8.3

This category consists primarily of Mr. Caruso's time for the preparation of the Debtor's monthly operating reports, including review of the Debtor's six operating accounts, reconciliation of three accounts receivable ledgers and two accounts payable ledgers.

D. Preference Analysis: Total \$380.00; Total Hours 0.7

This category consists primarily of Mr. Caruso's time for responding to inquiries from Trustee's counsel regarding previously prepared preference analysis.

E. Claims Analysis/Objections: Total \$17,460.00; Total Hours 27.9

The time for this category is primarily for Mr. Caruso's participation in the Trustee's objection to the priority claims filed by the New Brunswick Southern Railway Company Limited and the Maine Northern Railway Company, including having his deposition taken, attending the deposition of the claimants' witnesses, and attending the trial.

F. Record Storage: Total \$8,515.00; Total Hours 13.1

This category includes time for Mr. Caruso organizing and documenting both paper and electronic records and assisting the Trustee in responding to objections to the Trustee's motion to destroy certain records, including meeting with counsel to Canadian Pacific Railway Company in Bangor to review record storage procedures.

G. Wind Down Operations: Total \$1,690.00; Total Hours 2.6

This category includes:

- (i) Coordinating environmental testing for the Derby, ME facility; and
- (ii) Renewing the liability insurance policy for the Derby facility.

H. Litigation Support: Total \$6,150.50; Total Hours 11.6

This category includes time for four DSI consultants to prepare an insolvency analysis for pending litigation involving MMA's January 2011 track sale.

I. Non-working Travel: Total \$2,860.00; Total Hours 8.8 (10.5 hours not charged)

This category includes only certain time for Mr. Caruso's travel from Chicago to the Debtor's headquarters in Hermon, Maine.²

ACTUAL AND NECESSARY DISBURSEMENTS

19. As set forth on Exhibit A hereto, DSI has disbursed \$4,921.59 as expenses incurred in providing professional services during the Compensation Period. The expenses incurred arise from, inter alia, photocopies, overnight delivery charges, postage, meals, travel expenses and accommodations, and long-distance telephone charges. These expenses represent the out-of-pocket disbursements incurred during the regular course of the provision of services.

² As in the First Fee Application, the Second Fee Application and the Third Fee Application, DSI did not invoice for travel time for flights between Chicago and Portland, and invoiced MMA 2.20 hours for the drive time between Portland and Hermon, which was charged at one-half rate. When direct flights between Chicago and Bangor became available, DSI continued to limit total one-way travel time invoiced to 2.20 hours, no matter how much additional time was incurred due to flight delays.

THE REQUESTED COMPENSATION AND REIMBURSEMENT OF EXPENSES SHOULD BE ALLOWED ON A FINAL BASIS

20. Pursuant to section 330 of the Bankruptcy Code, the Court may award professionals “reasonable compensation for actual, necessary services.” 11 U.S.C. § 330(a)(1)(A). In evaluating the amount of reasonable compensation to be awarded, the Court should consider:

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

(A) the time spent on such services;

(B) the rates charged for such services;

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

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

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

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

21. DSI submits that the services for which it seeks compensation in this Fee Application were necessary for and beneficial to the Debtor’s estate. The services rendered by DSI were performed economically, effectively, and efficiently. Accordingly, the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtor.

22. The work conducted was carefully assigned to appropriate professionals according the experience and level of expertise required for each particular task. Whenever

possible and where appropriate, DSI sought to minimize the costs of its services by utilizing talented professionals with lower billing rates.

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

CONCLUSION

WHEREFORE, DSI respectfully requests that the Court enter an order: (a) approving on a final basis, pursuant to 11 U.S.C. § 330: (i) all compensation and expenses already approved on an interim basis in the interim Fee Orders and (ii) compensation for services rendered during the Compensation Period in the amount of \$51,225.50 and reimbursement of expenses in the amount of \$4,921.59; and (b) granting such other and further relief as the Court deems just and proper.

Dated: February 17, 2016

DEVELOPMENT SPECIALISTS, INC.

By:

/s/ Fred Caruso

Fred Caruso
Development Specialists, Inc.
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Chicago, IL 60602
Telephone: (312) 263-4141
E-mail: fcaruso@dsi.biz

*Financial Advisor for Robert J. Keach,
Chapter 11 Trustee of Montreal Maine &
Atlantic Railway, Ltd.*



No. 11359



REMIT TO:
 Three First National Plaza 70 West Madison Street, Suite 2300, Chicago, IL 60602-4250
 Telephone: 312.263.4141 Telecopier: 312.263.1180

Date: 02/09/16

Montreal, Maine & Atlantic Railway
 c/o Robert J. Keach
 Bernstein Shur Sawyer & Nelson
 100 Middle Street
 Portland, Maine 04104

F.E.I.N. 36-2967476

Description of Services and Disbursements	Fees	Disbursements	Credits	Balance
For professional services rendered from October 10, 2015 through December 22, 2015:				
Fees per attached category summary:				
Fee Application/Client Billing 3.20	\$2,080.00			
Business Analysis 16.30	9,732.50			
Monthly Bankruptcy Reports/Semi-Annual Reports 8.30	2,357.50			
Preference Analysis 0.70	380.00			
Claims Analysis/Objections 27.90	17,460.00			
Record Storage 13.10	8,515.00			
Wind Down Operations 2.60	1,690.00			
Litigation Support 11.60	6,150.50			
Travel (at 1/2) 8.80	2,860.00			
No Charge Travel 10.50	0.00			
	<u>103.00</u>			
	\$51,225.50			
Administrative Costs:				
Airfare		\$3,049.90		
Lodging		661.05		
Meals		241.01		
Car Rental		159.81		
Parking/Tolls/Cabs/Mileage		309.55		
Messenger/Overnight Services		46.87		
Photocopies		251.85		
Postage		6.05		
Long Distance Calls		<u>195.50</u>		
		\$4,921.59		
Net Due				<u>\$56,147.09</u>
TIMELY PAYMENT OF INVOICES IS ALWAYS APPRECIATED.				PAY LAST AMOUNT IN THIS COLUMN

Montreal, Maine & Atlantic Corporation
c/o Robert J. Keach
Bernstein Shur Sawyer & Nelson
100 Middle Street
Portland ME 04104

			HOURS	
10/15/2015	FCC	Begin preparation of third fee application for period 10/1/14 through 10/9/15.	1.50	
10/19/2015	FCC	Complete DSI's third fee application.	1.50	
11/09/2015	FCC	Review the draft motion for DSI's third interim fee application prepared by Bodie Colwell (.1) and telephone call with Bodie regarding comments (.1). Fee Application/Client Billing	0.20 3.20	<u>2,080.00</u>
10/15/2015	FCC	Based upon the conversation with the trustee, update the analysis of cash required by the plan and e-mail same to the trustee.	0.90	
10/26/2015	FCC	Telephone call with David Swanson regarding collection of the \$35,000 accounts receivable due from Signet Rail.	0.20	
10/28/2015	FCC	Telephone call with Tom Tardif regarding the 2015 real estate taxes for Derby and payment for same.	0.20	
11/02/2015	FCC	Telephone call with Tom Tardif regarding real estate taxes for Derby and tie pile; e-mail to Sam Anderson regarding payment of taxes for the tie pile.	0.30	
11/03/2015	FCC	Telephone call with Jerry Brown regarding status of real estate taxes and Milo's due diligence to acquire Derby, including potential requirement for a Phase II study.	0.40	
11/12/2015	FCC	Review and approve an invoice for payment to First Union Railcar to resolve post-petition accounts receivable and accounts payable activity.	0.10	
11/18/2015	FCC	Review receipts and disbursements for 10/11/15 to 11/13/15, review bank reconciliations and update wind down budget for same.	0.40	
11/25/2015	FCC	Begin preparation of updated cash, administrative claims and priority claims analysis for the plan.	1.10	
11/30/2015	FCC	Complete the preliminary analysis of cash available for pay of a 3-year wind down budget, final professional fees, other administrative fees and priority claims (2.5); telephone call with trustee regarding same (.3) and update schedule per his comments and e-mail him the revised schedule (.3).	3.10	
12/01/2015	FCC	Meeting with Matt Farnsworth regarding analysis required to prepare the 2015 U.S. and Canadian corporate tax returns.	0.20	
	MEF	Conversation with D. Deloria regarding FEIN for MMA; research files for FEIN.	0.20	

Montreal, Maine & Atlantic Corporation

			HOURS	
	MEF	Conversation with F. Caruso regarding 2015 accounting for MMA and MCC.	0.20	
	MEF	Continue to update cash tracker, complete categorization of receipts and disbursements, summarize and e-mail to F. Caruso.	1.90	
12/02/2015	FCC	Review of cash activity summary prepared by Matt Farnsworth for MMA and MCC, review 12/31/14 closing workpapers and begin the 12/31/15 closing workpapers for preparation of the 2015 U.S. and Canadian corporate income tax returns.	2.50	
12/03/2015	FCC	Telephone call with Andrew Adessky and Shawn Travitsky regarding final year-end accounting issues and refund of Canadian VAT taxes paid on final professional fees (.3); follow-up e-mail to trustee regarding same (.1).	0.40	
	FCC	Continue analysis of the MCC year-end tax planning and journalization of activity for same.	1.80	
12/07/2015	FCC	Review Tom Tardif's calculation for the proration of real estate taxes between CMQ and MMA for 2016 and e-mail trustee regarding same.	0.40	
12/14/2015	FCC	Telephone call with Tom Tardif regarding allocation of the Derby real estate taxes.	0.10	
12/15/2015	FCC	Update the wind down budget for receipts and disbursements through 12/11/15.	0.30	
12/17/2015	FCC	Update the analysis of BSSN's escrow account for the remaining professional fee escrow and amount owed to the FRA (1.2); telephone call with the trustee regarding same (.2).	1.40	
12/22/2015	FCC	Telephone call with Bob Keach and Matt Troy (FRA) regarding calculation of payment due to the FRA and remaining professional fee carve out.	0.20	
		Business Analysis	16.30	9,732.50
10/15/2015	FCC	Review and approve the monthly operating reports prepared by Matt Farnsworth for August 2015 and September 2015.	0.20	
	MEF	Revise the draft monthly operating report for August; e-mail to F. Caruso for review.	0.20	
	MEF	Discuss the draft monthly operating report for August with F. Caruso; e-mail the finalized monthly operating report to B. Keach.	0.10	
	MEF	Update the monthly operating report template for September.	0.10	
	MEF	Review and scan the draft September monthly operating report and e-mail to F. Caruso.	0.20	
	MEF	Review receipts and disbursements from operating and escrow accounts for September; add and categorize disbursements detail for the monthly operating report.	0.20	
	MEF	Review and categorize deposits from accounts, update list of outstanding checks and reconcile to the bank statements.	0.20	
10/16/2015	MEF	Finalize the September monthly operating report and e-mail to B. Keach.	0.20	

Montreal, Maine & Atlantic Corporation

			HOURS	
10/19/2015	MEF	Review the monthly operating reports and update the U.S. Trustee's calculation sheet, cut and mail check for Q3 2015 U.S. Trustee's fees, and e-mail F. Caruso regarding status of check.	0.40	
11/23/2015	MEF	Research for the monthly reporting on post-confirmation bankruptcy cases in Maine; create post-confirmation summary report template based on findings.	0.80	
	MEF	Begin to compile information for the October summary report.	1.00	
	MEF	Research files for latest escrow balance; e-mail K. Quirk regarding same.	0.10	
11/24/2015	MEF	Continue to work on draft post-confirmation report for the October; finalize draft of same.	0.80	
12/10/2015	MEF	Create draft monthly operating report for October.	1.50	
12/11/2015	MEF	Revise draft monthly operating report for October; e-mail to F. Caruso for review.	0.60	
12/15/2015	MEF	Create a draft monthly operating report for November; e-mail the draft to F. Caruso.	1.50	
	MEF	Make revisions to the November monthly operating report, finalize and e-mail to B. Keach.	0.20	
		Monthly Bkcty/Semi-Annual Rpts	8.30	2,357.50
10/15/2015	FCC	Telephone call with Tim McKeon to respond to his inquires for certain preference claims.	0.10	
10/16/2015	MEF	Review MMA's data for backup to CIT's preference analysis; e-mail T. McKeon regarding same.	0.20	
11/04/2015	FCC	Research and respond to information request from Lindsay Zahradka regarding Wheeling's borrowing base certificates and loan activity in connection with preference and claim objections for the NBSR and MNR.	0.40	
		Preference Analysis	0.70	380.00
11/11/2015	MEF	Review and compile claim analyses for MNR and NBSR.	0.40	
11/12/2015	FCC	Per the request of the trustee in connection to his objection to the NBSR-NMR priority claim, review historical records and prepare analysis of the Wheeling line of credit activity for the 2 years prior to the bankruptcy filing.	1.90	
	FCC	Search electronic and paper records for contracts between the NBSR, NMR and MMA and borrowing base certificates with Wheeling (2.2), and telephone call with Don Gardner regarding same (.2).	2.40	
	MEF	Research files and correspondence related to MMA bank statements; compile bank statements and make list of missing statements.	0.40	
	MEF	Review cash files for deposits from Irving Paper, prepare analysis of same, and e-mail to F. Caruso.	1.00	
11/13/2015	FCC	Prepare historical payment and cash receipt analysis for activity between the NBSR, NMR, Irving Paper, Wheeling, MMA and MCC (2.6) and telephone call with		

Montreal, Maine & Atlantic Corporation

		HOURS	
	Bob Keach and Lindsay Zahradka regarding same (.5).	3.10	
FCC	Telephone call with Lore Lipkvich regarding search of correspondence received from NBSR on 8/2/13.	0.10	
11/16/2015	FCC Continue preparation for my upcoming deposition and trial testimony regarding the NBSR and MNR \$2.2 million priority claim, including review information provided by opposing counsel, draft pleading by the trustee and payment activity between the parties.	4.20	
11/17/2015	FCC Continue preparation for Thursday's deposition and Friday's court hearing regarding the NBSR and MNR \$2.2 million priority claim, including analyzing payment activity to the NBSR and deposit activity from the ISS, Irving Paper entities and the Wheeling line of credit activity, including multiple calls with Lindsay Zahradka regarding same.	3.90	
11/18/2015	FCC Prepare for the upcoming trial regarding the NBSR priority claim objection, including separate telephone calls with Don Gardner and Bob Grindrod regarding same.	0.70	
11/19/2015	FCC Prepare for my deposition to be taken by the NBSR regarding the trustee's objection to their priority claim (1.0) and attend deposition (2.0).	3.00	
	FCC Meeting with the trustee to prepare for the deposition of Carl Hansen, Credit Manager for the Irving Companies (parent to the NBSR) (.5), and attend his deposition (1.0).	1.50	
	FCC Meeting with Bob Keach and Lindsay Zahradka to discuss trial strategy regarding the NBSR priority claim.	0.50	
11/20/2015	FCC Attend court regarding the trustee's claim objection to the priority claim of the NBSR and MNR.	4.00	
12/02/2015	FCC At the request of counsel, review the claim analysis prepared by the State of Maine, review MMA/DSI reconciliation and e-mail the response to Lindsay Zahradka.	0.80	
	Claims Analysis/Objections	27.90	17,460.00
10/13/2015	FCC Separate telephone calls with Lindsay Zahradka and Lore Lipkvich regarding record retention issues.	0.30	
	FCC Telephone call with Lindsay Zahradka and Paul Hemming (counsel for Cost payment Railway) regarding record retention issues.	0.20	
10/16/2015	FCC E-mail to John Backman at Noyes regarding status of record retention.	0.10	
10/26/2015	FCC Telephone call with Lore Lipkvich regarding tomorrow's examination of records with Paul Hemming to be retained versus destroyed.	0.20	
10/27/2015	FCC Meeting with Paul Hemming (counsel for CP Railway) and Lore Lipkvich to inspect records boxed for storage and those proposed for destruction.	3.00	
11/02/2015	FCC Review the index for additional boxes created from last week's site visit with counsel for CP Railway,		

Montreal, Maine & Atlantic Corporation

			HOURS	
		compile final record storage indexes, telephone call with Lore Lipkvich regarding questions regarding same, e-mail summary overview to CP Railway's counsel and telephone call with Lindsay Zahradka regarding motion for same.	1.80	
11/09/2015	FCC	Review and reconcile the revised record storage index prepared by Lore Lipkvich for additional boxing of records and e-mail same to counsel.	0.90	
11/17/2015	FCC	Multiple separate telephone calls with Gaynor Ryan and Lindsay Zahradka regarding record retention issues.	0.60	
	FCC	Two telephone calls with Jean Tuff at Noyes regarding reconciliation of storage quote and pick up of records.	0.20	
11/18/2015	FCC	Telephone call with Lore Lipkvich regarding additional records to retain (.2); telephone call with Jean Tuff at Noyes regarding coordination for this week's pick up of 340 boxes (.1).	0.30	
11/21/2015	FCC	At former offices of MMA to review records not retained by CMQ, determine those required to be retained pursuant to the approved motion and oversee boxing of an additional 34 boxes and determine best methodology for retention of the "map room".	4.50	
11/23/2015	FCC	Telephone call with Bob Grindrod regarding record storage issues, including contents of map room and potential donation of same.	0.30	
	FCC	Telephone call with Larry Springer, landlord of the former MMA office in Hermon, ME, regarding storage of map room contents; e-mail to the trustee regarding approval of proposed storage arrangement.	0.30	
11/25/2015	FCC	Calls with Lore Lipkvich and Jean Tuff at Noyes to coordinate additional record pick up at Hermon.	0.20	
12/01/2015	FCC	Review the draft motion for abandonment of the map room and telephone call with Lindsay Zahradka regarding comments.	0.20	
		Record Storage	13.10	8,515.00
10/15/2015	FCC	Telephone call with Beth Stockert at Plexus regarding renewal of Derby's liability insurance, prepare a no loss letter for same and e-mail to Beth and the trustee.	0.80	
10/22/2015	FCC	Telephone call with Bob Keach regarding status of the wind down issues.	0.40	
10/28/2015	FCC	Respond to information request from Beth Stockert at Plexus regarding renewal of insurance at Derby.	0.20	
10/30/2015	FCC	Complete renewal of Derby's insurance policy, including elimination of the "tie pile" from the coverage.	0.20	
11/11/2015	FCC	Telephone call with Bob Keach regarding objection to Irving Railroads' Section 1171 claim, status of record retention and proposed Phase II testing at		

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			HOURS	
		Derby by the Town of Milo.	0.50	
11/12/2015	FCC	E-mail consent to Jerry Brown for Milo's Phase II testing at Derby.	0.10	
12/08/2015	FCC	Telephone call with Bob Keach regarding outstanding real estate tax issues for the Derby and VAT tax issue in Canada.	0.20	
12/10/2015	FCC	Telephone call with Jerry Brown regarding status of environmental study at Derby and 2015 real estate taxes revaluation.	0.20	
		Wind Down Operations	2.60	1,690.00
10/13/2015	FCC	Review the draft insolvency report.	1.50	
	MEF	E-mail B. Calvert regarding status of the latest draft of the solvency report and exhibits.	0.10	
	MEF	Conversation with B. Calvert regarding revisions to make to the draft report and exhibits; e-mail F. Caruso and B. Calvert regarding status of same.	0.20	
	RBC	Initial review of further refinements to the solvency opinion report and exhibits by Matt Farnsworth.	1.00	
	RBC	Discussion with Matt Farnsworth regarding changes to the exhibits and report in advance of providing a draft to counsel.	0.20	
10/16/2015	FCC	Review assumptions for grant revenue, deferred revenue, capital expenditures and amortization for same and meeting with Pat O'Malley regarding same.	0.90	
10/19/2015	FCC	Telephone call with Brian Calvert, Matt Farnsworth and Eric Held regarding the remaining open issues with the insolvency report.	0.50	
	FCC	Review the capital expenditure analysis prepared by Matt Farnsworth (.2) and meeting with Matt regarding same (.3); review and approve the revised analysis prepared by Matt (.2).	0.70	
	EJH	Telephone call with the DSI team regarding draft report and CapEx's assumptions.	0.50	n/c
	RBC	Call with Fred Caruso, Matt Farnsworth and Eric Held to discuss the forecast and underlying assumptions attendant to the solvency opinion.	0.50	
	MEF	Conference call with F. Caruso, B. Calvert and E. Held regarding the solvency analysis.	0.50	n/c
10/22/2015	EJH	Telephone call with Brian Calvert and Matt Farnsworth regarding the draft report.	1.30	
	RBC	Preparation for and discussion with Matt Farnsworth and Eric Held regarding refinements to the solvency report.	1.30	
	MEF	Conference call with B. Calvert and E. Held regarding the solvency analysis.	1.30	
11/04/2015	FCC	Review the draft insolvency report as of today's date and e-mail same to Bob Keach.	1.20	
11/11/2015	MEF	Compile and organize source documents from the solvency report; prepare binder of same.	0.80	
12/16/2015	FCC	Telephone call with Jim Speed regarding the Proprix reports for 2013.	0.10	

Montreal, Maine & Atlantic Corporation

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		HOURS	
Litigation Support		11.60	6,150.50
10/26/2015	FCC Travel from Chicago, IL, to Portland, ME.	3.00	n/c
	FCC Travel from Portland, ME, to Bangor, ME.	2.20	
10/27/2015	FCC Travel from Bangor, ME, to Portland, ME.	2.20	
	FCC Travel from Portland, ME, to Chicago, IL.	3.00	n/c
11/18/2015	FCC Travel from Chicago, IL, to Portland, ME.	4.50	n/c
11/20/2015	FCC Travel from Portland, ME, to Bangor, ME.	2.20	
11/21/2015	FCC Travel from Bangor, ME, to Chicago, IL (did not charge any additional time for extensive flight delays due to weather; did not arrive in Chicago, IL, until Sunday morning).	2.20	
	Travel at 1/2	8.80	2,860.00
FOR THE FOREGOING PROFESSIONAL SERVICES RENDERED:		92.50	51,225.50

RECAPITULATION

<u>CONSULTANT</u>	<u>HOURS</u>	<u>HOURLY RATE</u>	<u>TOTAL</u>
F. C. Caruso	8.80	\$325.00	\$2,860.00
F. C. Caruso	64.60	650.00	41,990.00
E. J. Held	1.30	435.00	565.50
M. E. Farnsworth	14.80	275.00	4,070.00
R. B. Calvert	3.00	580.00	1,740.00

Delivery Charges	46.87
Photocopy Charges	251.85
Postage	6.05
Lodging	661.05
Meals	241.01
Airfare	4,079.00
Car Rental	159.81
Transportation	309.55
Long Distance Telephone	195.50
TOTAL DISBURSEMENTS: THRU 12/22/2015	5,950.69
Airfare - Amex (CM - Fred Caruso)	-378.00
Airfare - Amex (CM applied against Inv. No. 26435 - Fred Caruso)	-651.10
TOTAL CREDITS FOR DISBURSEMENTS	-1,029.10
TOTAL CURRENT WORK	56,147.09
BALANCE DUE	<u>\$56,147.09</u>

MONTREAL, MAINE & ATLANTIC CORPORATION
SUMMARY OF EXPENSES FROM 10/10/15 TO 12/22/15

AIRFARE	SEE ATTACHED SCHEDULE	3,049.90
LODGING	SEE ATTACHED SCHEDULE	661.05
MEALS	SEE ATTACHED SCHEDULE	241.01
RENTAL CAR	SEE ATTACHED SCHEDULE	159.81
PARKING, ETC.	SEE ATTACHED SCHEDULE	309.55
LONG DISTANCE PHONE		195.50
PHOTOCOPY CHARGE	(1679 @ .15)	251.85
POSTAGE		6.05
OVERNIGHT DELIVERY		<u>46.87</u>
		4,921.59

MONTRAL, MAINE & ATLANTIC CORPORATION

SUMMARY OF TRAVEL EXPENSES

To 12/22/15

<u>FROM</u>	<u>TO</u>	<u>NAME</u>	<u>DESTINATION LOCATION</u>	<u>ORIGINATING LOCATION</u>	<u>NIGHTS</u>	<u>AIRFARE</u>	<u>LODGING</u>	<u>MEALS</u>	<u>RENTAL CAR</u>	<u>PARKING, ETC.</u>	<u>TOTAL</u>
10/26/15	10/27/15	F. CARUSO	PORTLAND, ME	CHICAGO, IL	1	1,354.98	112.37	40.74	72.53	105.00	1,685.62
11/18/15	11/22/15	F. CARUSO	PORTLAND, ME	CHICAGO, IL	4	1,694.92	548.68	200.27	87.28	204.55	2,735.70
						<u>3,049.90</u>	<u>661.05</u>	<u>241.01</u>	<u>159.81</u>	<u>309.55</u>	<u>4,421.32</u>



Development Specialists, Inc. – Professional Biographies

Fred Caruso

Fred Caruso has over thirty years of insolvency, restructuring and operational experience and currently is the Chief Operating Officer of DSI. His experience is concentrated on the “debtor side,” typically serving either as the Financial Advisor, Chief Restructuring Officer, Chief Operating Officer, Chief Financial Officer, or as a Chapter 11 Trustee. He has also provided expert testimony on accounting, forensic and valuation topics.

Notable assignments include:

- Chapter 11 Trustee for Qualteq, Inc., and its sixteen affiliated debtors, which resulted in a 363 sale that paid creditors in full with a distribution to equity.
- CRO and COO for Giordano’s Enterprises, Inc.; in conjunction with its Chapter 11 Trustee, managed a successful 363 sale process, paid secured creditors in full, and made a significant distribution to creditors.
- Financial Advisor for the real estate trust for the Gas City, Ltd. properties; in conjunction with the CRO for Gas City, managed a successful 363 sale process which was awarded the TMA Consumer and Retail Products Turnaround Award.
- Financial Advisor for Mid-American Agri Products, a 40 million gallon ethanol facility; managed a successful sale process.
- Financial Advisor for Bill Heard Enterprises, which operated 14 urban big-box Chevrolet locations with sales in excess of \$2 billion; managed a successful 363 sale process less than 60 days after the Lehman collapse brought the automotive industry to a standstill.
- President and Debtor in Possession for Ritchie Risk-Linked Strategies Trading, Ltd.; managed a successful 363 sale process for 1,100 life insurance policies with a insured value of \$2.8 billion.
- Financial Advisor for a \$3 billion hedge fund to manage negotiations with “gated” investors and monetize illiquid investments.
- Financial advisor and expert witness to the fee examiner for Collins & Aikman Corporation.
- Financial Advisor for Oasis Corporation; completed a going concern “article 9” sale.
- Financial Advisor for Outboard Marine Corporation; coordinated the shutdown and sale of its 10 engine and boat manufacturing locations.
- CRO for BREED Technologies, Inc.; confirmed a standalone Chapter 11 plan.

- President and Debtor in Possession for Commercial Financial Services, Inc., the country's largest acquirer of charged-off credit card debt; negotiated a consensual liquidating plan between asset-backed security holders and general unsecured creditors.
- COO for Mercury Finance Company; confirmed a standalone Chapter 11 plan.
- Restaurant Management Services, Inc., a 120-unit fast food restaurant chain; completed an out-of-court restructuring.
- CFO for Tune-Up Masters, Inc., a 250-store automotive repair chain; confirmed a standalone Chapter 11 plan.
- CFO for Shape, Inc., a manufacturer of extruder plastic components; confirmed a standalone Chapter 11 plan.

Mr. Caruso began his career in public accounting in the audit division of a Big Eight accounting firm (now Deloitte & Touche). For approximately two years, he served as President for Hilco Appraisal Services, LLP, the country's largest provider of inventory and machinery valuations. He is a Certified Public Accountant, a Certified Insolvency and Reorganization Accountant, and is a member of the AICPA, Illinois CPA Society, the Association of Insolvency Accountants, and the American Bankruptcy Institute.

He is a graduate of the University of Wisconsin-Madison with Bachelor's degrees in accounting and finance.

R. Brian Calvert

Mr. Calvert is a vice president at DSI with over 25 years of experience encompassing strategic planning, operations, corporate finance, valuation, mergers and acquisitions, and complex financial restructurings. Mr. Calvert has performed engagements in connection with acquisitions, divestitures, partial investments on minority and majority bases, joint ventures, settlement agreements, plan confirmation matters and determining the value impact of various strategic operating and financing decisions. He has performed analyses over a broad range of industries and markets and has provided expert testimony in solvency and valuation matters. Mr. Calvert has written about off-balance sheet financing techniques and lectured extensively at various graduate schools of business in the areas of finance and creating shareholder value.

Mr. Calvert has significant international experience, including an expatriate assignment in Brussels, Belgium. He has performed transaction-oriented assignments in Australia, the Netherlands, Belgium, New Zealand, Canada, Portugal, Denmark, Sweden, Egypt, Switzerland, France, United Kingdom, Germany and the United States. He was named one of the "People to Watch" in the 2008 Turnaround and Workouts. Mr. Calvert has written about off-balance sheet financing techniques and lectured extensively at various graduate schools of business in the areas of finance and creating shareholder value. Mr. Calvert serves on the Advisory Board of Valcon, an annual conference that addresses valuation issues in the context of restructurings, reorganizations and distressed sales.

Mr. Calvert has been a guest lecturer and instructor at various executive education programs such as the Arthur Andersen-sponsored Korean M&A School and Business Valuation School. He has served on the faculty of the Merger Week program offered by the J.L. Kellogg Graduate School of Management at Northwestern University. Mr. Calvert has been an instructor at the American Institute of Banking and authored “The Application and Effects of In-Substance Defeasance” in The Journal of Commercial Lending and co-authored the “Due Diligence” chapter in Bankruptcy Business Acquisitions, 2d Edition, American Bankruptcy Institute 2006. He is has recently written a paper, “Company Specific Risk Premiums: Update on the Scholarly Evidence” with Professor David C. Smith of the McIntire School of Commerce at the University of Virginia.

Mr. Calvert received a Master of Business Administration from the University of Chicago’s Graduate School of Business with specializations in Finance and Marketing. He also holds a Bachelor’s Degree in Policy and Administration from Indiana University.

Notable assignments include:

- Financial Advisor – Automotive Professionals, Inc., Chapter 11 Bankruptcy
- Expert Witness – SK Foods, Chapter 11 Bankruptcy
- Liquidating Trust – Vineyard National Bancorp, Post-Confirmation Litigation
- Expert Witness – Western Asbestos Company, Western MacArthur Co. and MacArthur Co., Chapter 11 Bankruptcy
- Expert Witness – American Classic Voyages Co., Adversary Proceeding, Chapter 11 Bankruptcy
- Expert Witness – Gecker v. Goldman, Sachs & Company, Chapter 11 Bankruptcy
- Expert Witness – Nycal Offshore Development Corporation v. The United States
- Expert Witness – Post Street, LLC, Chapter 11 Bankruptcy

Matt Farnsworth

Matt Farnsworth joined the professional staff of DSI in June 2001. Since joining DSI, Mr. Farnsworth has been directly involved in organizing the orderly wind down and sale of businesses, maximizing the value of estate assets, analyzing and negotiating creditor claims and corresponding with creditors. He has provided support, in the areas of both operations and finance, to ongoing DSI engagements including Chapter 11 reorganizations, Chapter 7 liquidations and Assignments for the Benefit of Creditors.

Mr. Farnsworth rejoined DSI in 2009 after a two-year hiatus during which he earned his Master of Business Administration. Mr. Farnsworth's areas of expertise include operational and human resource management, financial analysis, budgeting and schedules, cash management, preferential and fraudulent transfer analysis, tangible asset valuation, and due diligence.

Notable assignments include:

- Financial Advisor – Qualteq, Inc., Chapter 11 Bankruptcy
- Financial Advisor – Gryphon Investors, Due Diligence
- Financial Advisor – HUSA Liquidating Corporation (f/k/a HearUSA, Inc.), Chapter 11 Bankruptcy
- Financial Advisor – Namco Capital Group, Inc., Chapter 11 Bankruptcy
- Financial Advisor – Hayes Lemmerz International, Chapter 11 Bankruptcy
- Financial Advisor – Jillian's Entertainment Holdings, Inc., Chapter 11 Bankruptcy
- Financial Advisor – Edgewater Medical Center, Chapter 11 Bankruptcy
- Liquidating Trust – Vineyard National Bancorp, Post-Confirmation Litigation
- Liquidating Trust – Horizon Natural Resources, Post-Confirmation Litigation
- Sale Agent – Green Garden Country Club

Mr. Farnsworth is a winner of *The 6th Annual Turnaround Award* by the M&A Advisor for Middle Market Chapter 11 Reorganization of the Year for his work in HUSA Liquidating Corporation. He is also a member of the Turnaround Management Association and the American Bankruptcy Institute.

Mr. Farnsworth received a Master of Business Administration from Indiana University's Kelley School of Business with concentrations in Finance and Accounting. He also holds a Bachelor of Arts degree from Lake Forest College.

Eric Held

During his tenure with DSI, Mr. Held has been involved in a number of significant bankruptcy proceedings, general assignments for the benefit of creditors, and engagements as financial advisor to Chapter 11 trustees, investors and creditors across multiple industries.

Prior to joining DSI, Mr. Held consulted on numerous capital raising, corporate advisory and turnaround engagements. Such transactions include serving as a financial advisor to the

unsecured creditors committee in the Chapter 11 bankruptcy of Advantage Rent-A-Car and advising Dana Corporation and Dura Automotive Systems on their Chapter 11 reorganizations.

Prior to that, Mr. Held was an Associate at GESD Capital Partners, a \$250 million private equity firm focused on investing in middle-market consumer, manufacturing and business services companies. While there, he pursued new acquisition opportunities and assisted in the successful turnarounds of portfolio companies through strategy development, product and customer rationalizations, manufacturing facility consolidations, operational improvements, divestitures of non-core businesses and long-term growth initiatives. Mr. Held was also an Associate in the investment banking division of Citigroup Global Markets, where he advised private equity firms and consumer clients, closing on over \$10 billion in M&A transactions and capital market offerings.

Mr. Held received a Master of Business Administration from the University of Chicago Booth Graduate School of Business. He also holds a Bachelor of Science degree from California Polytechnic State University.

Notable assignments include:

- Financial Advisor – Gryphon Investors, Due Diligence
- Financial Advisor – Namco Capital Group, Inc., Chapter 11 Bankruptcy
- Financial Advisor – Orient Fisheries, Inc. d/b/a Markesa International (OFI)

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE**

In re:

MONTREAL MAINE & ATLANTIC
RAILWAY, LTD.

Debtor.

Bk. No. 13-10670
Chapter 11

**ORDER GRANTING FOURTH AND FINAL APPLICATION FOR COMPENSATION
AND REIMBURSEMENT OF EXPENSES FOR DEVELOPMENT SPECIALISTS,
INC., AS FINANCIAL ADVISOR FOR THE TRUSTEE, ROBERT J. KEACH, FOR
THE PERIOD FROM NOVEMBER 1, 2015 THROUGH DECEMBER 22, 2015**

This matter having come before the Court on the *Fourth and Final Application for Compensation and Reimbursement of Expenses for Development Specialists, Inc., as Financial Advisor for the Trustee, Robert J. Keach, for the Period from November 1, 2015 Through December 22, 2015* (the "Fee Application"),¹ and after proper notice to all creditors and other parties-in-interest, the Court having independently reviewed the Fee Application, it is hereby **ORDERED, ADJUDGED, and DECREED** as follows:

1. The Fee Application is granted.
2. In relation to the Compensation Period and pursuant to 11 U.S.C. § 331, Development Specialists, Inc. ("DSI") is allowed compensation for services to the Trustee in the aggregate amount of **\$56,147.09**, including professional fees in the amount of **\$51,225.50** and reimbursement of expenses in the amount of **\$4,921.59**.
3. The fees and expenses requested in the Fee Application are hereby awarded on a final basis in accordance with the applicable sections of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, and this Court's local rules.

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

4. In addition, the \$1,457,860.69 in fees and expenses granted by this Court on an interim basis in the Interim Fee Orders, comprising, in the aggregate, (a) \$1,345,225.00 in fees and (b) \$112,635.69 in expenses, are also awarded on a final basis in accordance with the applicable sections of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, and this Court's local rules.

5. For the avoidance of doubt, this Order approves, in the aggregate and on a final basis, in accordance with the applicable sections of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, and this Court's local rules, \$1,514,007.78 in fees and expenses for DSI in its capacity as financial advisor to the Trustee during the Debtor's chapter 11 case, comprising (a) \$1,396,450.50 in fees and (b) \$117,557.28 in expenses.

Dated: _____, 2016

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

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE**

In re:

MONTREAL MAINE & ATLANTIC
RAILWAY, LTD.

Debtor.

Bk. No. 13-10670
Chapter 11

NOTICE OF HEARING

Development Specialists, Inc. (“DSI”), the financial advisor to Robert J. Keach, the chapter 11 trustee, has filed the *Fourth and Final Application for Compensation and Reimbursement of Expenses for Development Specialists, Inc., as Financial Advisor for the Trustee, Robert J. Keach, for the Period from November 1, 2015 Through December 22, 2015* (the “Application”). A hearing on the Application is set to take place at the United States Bankruptcy Court, 537 Congress Street, Portland, Maine on **April 5, 2016 at 9:00 a.m.** (the “Hearing”).

By the Application, DSI seeks a total amount of **\$56,147.09**, which includes **\$51,225.50** for payment of professional fees and **\$4,921.59** for reimbursement of expenses incurred during the period from November 1, 2015 through December 22, 2015 (the “Compensation Period”). DSI seeks an order authorizing and approving this compensation for fees and expenses incurred during the Compensation Period on a final basis. In addition, as the Application is a final fee application, DSI seeks an order authorizing and approving all compensation for fees and expenses incurred throughout the Debtor’s chapter 11 case on a final basis.

On May 12, 2014, DSI filed the *First Interim Application for Compensation and Reimbursement of Expenses for Development Specialist, Inc., as Financial Advisor to the Trustee, Robert J. Keach, for the Period from August 21, 2013 Through April 30, 2014* [Docket No. 872] (the “First Fee Application”). With respect to the First Fee Application, which covered the period of August 21, 2013 through April 30, 2014, the Court awarded DSI fees in the amount of \$670,237.00 and expenses in the amount of \$63,463.31.

On October 24, 2014, DSI filed the *Second Interim Application for Compensation and Reimbursement of Expenses for Development Specialist, Inc., as Financial Advisor to the Trustee, Robert J. Keach, for the Period from May 1, 2014 Through September 30, 2014* [Docket No. 1168] (the “Second Fee Application”). With respect to the Second Fee Application, which covered the period of May 1, 2014 through September 30, 2014, the Court awarded DSI fees in the amount of \$344,375.00 and expenses in the amount of \$30,197.44.

On November 9, 2015, DSI filed the *Third Interim Application for Compensation and Reimbursement of Expenses for Development Specialists, Inc., as Financial Advisor for the Trustee, Robert J. Keach, for the Period from October 1, 2014 Through October 9, 2015* [Docket No. 1840] (the “Third Fee Application”). With respect to the Third Fee Application,

which covered the period of October 1, 2014 through October 31, 2015, the Court awarded DSI fees in the amount of \$330,613.00 and expenses in the amount of \$18,974.94.

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. If you do not have an attorney, you may wish to consult one.

If you do not want the court to approve the Application, or if you want the court to consider your views on the Application, then **on or before March 18, 2016**, you or your attorney must file with the court a written response explaining your position. If you are not able to access the CM/ECF Filing System, your response should be served upon the Court at:

Alec Leddy, Clerk
United States Bankruptcy Court
202 Harlow Street
Bangor, Maine 04401

-and-

Sam Anderson, Esq.
Bernstein, Shur, Sawyer & Nelson, P.A.
100 Middle St., PO Box 9729
Portland, Maine 04104-5029

If you have to mail your response to the Court for filing, you must mail it early enough so that the Court will receive it on or before the date stated above.

If you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought in the Application and may enter an order granting that relief.

Dated: February 17, 2016

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

By his attorneys:

/s Sam Anderson
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