

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

In re:

MONTREAL MAINE & ATLANTIC
RAILWAY, LTD.,

Debtor.

Bk. No. 13-10670
Chapter 11

**DECLARATION OF INCORR ENERGY GROUP, LLC IN SUPPORT OF
CONFIRMATION OF TRUSTEE'S REVISED FIRST AMENDED
PLAN OF LIQUIDATION DATED JULY 15, 2015**

I, Timothy A. Davidson II, pursuant to 28 U.S.C. § 1746, state as follows:

Introduction

1. This Declaration is submitted in support of confirmation of the *Trustee's Revised First Amended Plan of Liquidation Dated July 15, 2015* [Docket No. 1495] (the "Plan").¹

2. I am the attorney of record for InCorr Energy Group, LLC ("InCorr") in the above styled-bankruptcy case.

3. All facts set forth herein are based on my personal knowledge, on information supplied to me by others within the InCorr organization. If I were called to testify, I could and would testify competently to the facts set forth herein.

The Plan Releases and Injunctions

4. InCorr is included in the definition of "Released Parties" under the Plan and accordingly, will be the beneficiary of the Releases and Injunctions contained in the Plan if confirmed.

5. InCorr is presently a defendant in lawsuits related to the Derailment.

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Plan and/or the Revised First Amended Disclosure Statement for the Trustee's Plan of Liquidations Dated July 15, 2015 [D.E. 1497] (the "Disclosure Statement").

6. InCorr may have claims against MMA for, *inter alia*, contribution and indemnity. Absent confirmation of the Plan and the effectiveness of the Releases and Injunctions contained therein in favor of InCorr and its affiliates, InCorr may pursue its claims against the MMA estate.

7. In addition, InCorr may have significant claims against various other Contributing Parties for, *inter alia*, contribution and indemnity for any liability arising from the Derailment.

B. InCorr Has Agreed to Contribute Substantial Assets to the MMA and MMA Canada Estates

8. InCorr engaged in settlement negotiations with Robert J. Keach, trustee for the Debtor's Chapter 11 Case (the "Trustee"). After a good faith, arm's-length negotiation, InCorr agreed to contribute to the settlement fund formulated by the Trustee for satisfaction of Claims against the Debtor, subject to the terms and conditions of the Plan Support and Settlement Agreement (the "Settlement Agreement"), which terms and conditions include the requirement that the Releases and Injunctions become effective.

9. InCorr has strong legal and factual defenses to all claims relating to the Derailment. InCorr agreed to settle with the Trustee in part to avoid the expense and delay of protracted litigation. Under these circumstances and in my opinion, the total settlement contribution to the MMA estate by and on behalf of InCorr is "substantial."

C. InCorr Would Not Have Settled Without the Releases and Injunctions

10. The Releases and Injunctions apply to InCorr. The Settlement Agreement requires InCorr to receive global releases and an injunctions protecting it from any and all claims by anyone that was related in any way to MMA or the Derailment. InCorr was only willing to negotiate and enter into a settlement on the condition that any settlement was a final settlement of all MMA- and Derailment-related liability.

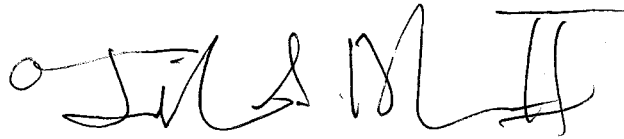
11. InCorr would not have settled with the Trustee if InCorr were not protected from (a) further third party claims brought by the Derailment victims and (b) any and all contribution, indemnity and other claims relating in any way to the Derailment.

12. Finally, I, on behalf of InCorr, fully support confirmation of the Plan.

[signature page follows]

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated: September 22, 2015

A handwritten signature in black ink, appearing to read 'Timothy A. Davidson II', written over a horizontal line.

Timothy A. Davidson II
Attorney for InCorr Energy, LLC

[signature page for [] declaration]