

CANADA
PROVINCE OF QUEBEC
DISTRICT OF ST-FRANÇOIS
No.: 450-11-000167-134

SUPERIOR COURT
(Commercial Division)
The Companies' Creditors Arrangement Act

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

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

Petitioner

-and-

RICHTER INC. (FORMERLY RICHTER
ADVISORY GROUP INC. /RICHTER GROUPE
CONSEIL INC.) a duly incorporated legal person
having its principal place of business at 1981 McGill
College, 12th Floor, in the city and district of
Montreal, Quebec, H3A 0G6

Monitor

FORTY-FIRST REPORT OF THE MONITOR
December 11, 2025

INTRODUCTION

1. On August 6, 2013, Montreal, Maine & Atlantic Canada Co. ("**MMAC**") filed a Motion for the Issuance of an Initial Order pursuant to Section 11 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C-36, as amended (the "**CCAA**"). On August 8, 2013, the Honourable Martin Castonguay, J.S.C., issued an initial order (the "**Initial Order**") which *inter alia* appointed Richter Inc. (formerly Richter Advisory Group Inc.) as the Monitor in these CCAA proceedings (the "**Monitor**"). An initial stay of proceedings was ordered until September 6, 2013 ("**Stay Period**").
2. The CCAA proceedings have since been supervised by the Honourable Gaétan Dumas, J.S.C. and the Stay Period has been extended thirty times with the most recent extension having been granted to December 17, 2025.

3. We refer to the Monitor's prior reports for an overview of the CCAA proceedings and a summary of all motions filed and orders issued to date.
4. Capitalized terms not defined in this Report have the meaning ascribed thereto in the Monitor's previous reports or in MMAC's Plan of Compromise and Arrangement filed on June 8, 2015 (the "**Amended Plan**"). All amounts reflected in this report are stated in Canadian currency unless otherwise noted.
5. On December 11, 2025, the Petitioner filed a Motion for a Thirty-First Order Extending the Stay Period and for Approval of Professional Fees ("**Thirty-First Extension and Fee Motion**"). The Thirty-First Extension and Fee Motion will be heard on December 15, 2025.
6. The purpose of this Forty-First Report of the Monitor is to inform the Court on the following subjects:
 - a) Status of Distributions;
 - b) Extension Request;
 - c) CP Document Order;
 - d) Interest Treatment;
 - e) Chapter 11;
 - f) Approval of Professional Fees; and
 - g) Recommendations of the Monitor.

STATUS OF DISTRIBUTIONS

7. The Monitor currently holds approximately \$17.0 million, being the balance of the funds not yet distributed ("**Undistributed Funds**") and which are comprised primarily of interest earned on the funds for distribution, various reserves and the Administration Charge of the Canadian Professionals. These Undistributed Funds will be distributed at the end of the CCAA proceedings in order to comply in an efficient manner with income tax legislation requiring the issuance of tax slips to certain claimants.
8. A total of approximately \$29,000 of the distribution payments issued to date have i) not been released due to missing information, ii) been returned to the Monitor because some claimants (29 claimants) have moved and not notified the Monitor of their new address or iii) not been cashed. The average amount of those distribution payments is approximately \$1,000. In accordance with Section 8.8 of the Amended Plan, these unclaimed funds will be donated to charity.

EXTENSION REQUEST

9. The Thirty-First Extension and Fee Motion seeks a 6-month extension of the Stay Period to June 17, 2026, in order to provide time to (i) proceed with the distribution of the Undistributed Funds, ii) issue tax slips to claimants, as required by the fiscal authorities and as further detailed below and (iii) complete our administration as Monitor. The Monitor is now in position to complete these CCAA proceedings after the conclusion of the US proceedings, as discussed below. The Monitor either directly or via the Estate Representative has communicated with the major stakeholders (the Province, the Class Counsel and the US Legal Representatives, who together represent 99% of all claimants and 93% of the value of all claims) and they have all indicated their support and consent for the extension request.

CP DOCUMENT ORDER

10. We refer to the Twenty-Sixth Report of the Monitor dated June 8, 2017 for a summary of the CP Document Order. As of the date of this Report, the Monitor has provided monthly updates (for February 2017 to November 2025) to CP's attorneys as well as to Class Counsel.

INTEREST TREATMENT

11. As of the date of this report, approximately \$11.6 million has been earned on the Funds for Distribution since the effective date of the Amended Plan.
12. As described in the Twenty-Ninth Report dated November 14, 2018, the Monitor, as required by the fiscal authorities, will ultimately issue provincial and federal tax slips to each claimant who will have receive \$50 or more of the interest earned on the funds for distribution.
13. Since the Monitor is now in a position to issue the final distribution, the final allocation of interest can be completed, and tax slips can be issued. Based on the information currently available, the Monitor estimates that it may need to issue tax slips to at least 4,400 individuals and corporations unless an arrangement can be reached with the fiscal authorities.

CHAPTER 11

14. The Monitor provides the following update received from the Estate Representative (formerly the Chapter 11 Trustee) regarding the outstanding proceedings in the United States which have an impact on the Amended Plan in respect of the timing and distribution of certain funds and the overall administration of the CCAA:
 - a) Carmack Litigation: We refer to the Thirty-Fourth Report for details of these proceedings. As previously noted, the district court issued an order limiting the scope of damages to the value of

the crude oil and entered a judgment in January 2024 in an amount of approximately \$3.9 million USD. Both parties appealed the judgment. The WD Trustee appealed the district court's decision limiting the damages to the value of the crude oil as being inconsistent with longstanding US Supreme Court precedent. CP has raised multiple issues on appeal, including the district court's determination that CP had not effectively limited its liability under the Carmack Amendment. The Eighth Circuit Court of Appeals entered a decision on the appeal reversing the United States District Court with respect to the application of the Chapter 11 plan's judgment reduction provision, ruling that the provision eliminated the judgment against CP. After consulting with outside counsel, the Estate Representative and the WD Trustee have decided not to pursue a petition for certiorari. Thus, the US litigation is terminated; and

- b) Estate Representative's separate litigation against CP: In the Adversary Proceeding in MMA's Chapter 11 case before the bankruptcy court in the District of Maine ("**US Court**"), the parties had fully briefed the record for a summary judgment and were awaiting the bankruptcy court's ruling when the Quebec Superior Court entered judgment in the class action proceeding against CP, *Ouellette v. Compagnie de chemin de fer Canadien Pacifique*, 2022 QCCS 4643 (Dec. 14, 2022) (Bureau, J.S.C.). In the Adversary Proceeding, CP asserted that *Ouellette* has preclusive effect. However, the Plaintiffs in *Ouellette* have since filed appeals of the Superior Court's judgment. These appeals could impact the Adversary Proceeding. Accordingly, the Parties requested that the bankruptcy court stay the Adversary Proceeding pending resolution of the *Ouellette* appeal. The US Court formally entered a stay, which will remain in effect until the *Ouellette* appeal is resolved. The hearing in the *Ouellette* appeal occurred in October 2024. A written decision will follow. Following the Eight Circuit ruling noted above, CP again sought to dismiss the Adversary Proceeding, the Estate Representative objected, and the US Court heard argument. The US Court has not yet ruled on the matter.

APPROVAL OF PROFESSIONAL FEES

- 15. The Twenty-Ninth Extension and Fee Motion also seeks approval for the payment of the Canadian Professional Fees incurred for the period of December 1, 2024 to November 30, 2025, which can be summarized as follows:

Montreal, Maine & Atlantic Canada Co. Administration Charge Summary As of November 30, 2025			
	Fees /		
	Disbursements	Sales Taxes	Total
Administration Charge ¹	\$ 14,650,000	\$ 2,170,000	\$ 16,820,000
Accrued Professional Fees as of November 30, 2024	(14,599,457)	(2,162,042)	(16,761,499)
Balance of Administration Charge to implement the Plan	50,543	7,958	58,501
Richter	22,820	3,417	26,237
Woods	1,777	266	2,043
Gowling WLG	-	-	-
	24,597	3,683	28,280
Balance of Administration Charge to complete the CCAA ²	\$ 25,946	\$ 4,275	\$ 30,221
¹ As per the Amended Plan of Compromise and Arrangement dated June 8, 2015, the Order dated March 3, 2017, the Order dated November 21, 2018 and the Order dated June 16, 2021.			
² In addition, the Monitor and its counsel still retain a \$150,000 retainer which will be applied to their final invoices.			

16. As shown in the above table, the Administration Charge has been substantially utilized. Nevertheless, the Monitor expects that the current retainer of \$150,000 will be sufficient to complete the administration of the CCAA. This includes the allocation and distribution of the Undistributed Funds comprising of the interest income to the claimants and the preparation and issuance of Federal T5 slips and Provincial Relevé 3 slips, to claimants who will receive more than \$50 of interest income, as required by the taxing authorities.

RECOMMENDATIONS OF THE MONITOR

A) Extension

17. The Monitor is of the opinion that the Court should grant the extension request to June 17, 2026, in order to make final distribution payments and issue tax slips to creditors as required by the fiscal authorities. The major stakeholders support this position.

B) Professional Fees

18. The Monitor supports the approval of the professional fees for the period of December 1, 2024 to November 30, 2025, which fees are fair and reasonable.

Respectfully submitted at Montreal, this 11th day of December 2025.

Richter Inc. (formerly Richter Advisory Group Inc.)
Monitor



Andrew Adessky, CPA, MBA, CIRP, LIT