RECORDATION NO. 20358-I FILED

MAR 11 '03 3-24 PM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
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OF COUNSEL
URBAN A. LESTER

March 10, 2003

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of U.S. Bankruptcy Court Notice of Completion of Sale of Assets to MMA, dated January 10, 2003, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed Court Order confirms the date of January 9, 2003 as the effective date for the rejection of Leases being filed concurrently herewith under Rec. No. 20358-H.

The names and addresses of the parties to the rejected Lease are:

Lessor: Compass Rail Corporation
750 Battery Street
Suite 430
San Francisco, CA 94111

Lessee: Bangor & Aroostook
Railroad Company
RR2, Box 45
Bangor, ME 04401

A description of the railroad equipment covered by the enclosed document is:

110 flatcars

BAR 11000 – BAR 11024
BAR 12000 – BAR 12024
BAR 13000 – BAR 13059

A short summary of the document to appear in the index follows:

U.S. Bankruptcy Court Notice of Completion of Sale of Assets

Also enclosed is a check in the amount of $30.00 payable to the order of the Surface Transportation Board covering the required recordation fee and cross-indexing fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/anr
Enclosures

RECORDATION NO. 20358-I FILED

MAR 11 '03 3-24 PM

SURFACE TRANSPORTATION BOARD

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MAINE

In re	)	
	)	Chapter 11
BANGOR & AROOSTOOK RAILROAD COMPANY,[1]	)	Case No. 01-11565
	)	
Debtor.	)	(Jointly Administered)
	)	

NOTICE OF COMPLETION OF CLOSING ON SALE OF ASSETS TO MMA AND IMPLEMENTATION OF PROCEDURES GOVERNING THE RETURN OF RAILCARS, LOCOMOTIVES, AND TRACK EQUIPMENT PREVIOUSLY LEASED UNDER REJECTED LEASES

PLEASE TAKE NOTICE that on January 9, 2003, the sale of substantially all of the Debtors' assets to Montreal, Maine & Atlantic Railway, Ltd. et al ("MMA") was consummated, as authorized by an Order of the United States Bankruptcy Court for the District of Maine ("Court") entered on October 9, 2002 ("Sale Order"), and subsequent orders.

THIS NOTICE IS PROVIDED TO NON-DEBTOR PARTIES TO REJECTED LEASES OF RAILCARS, LOCOMOTIVES, AND TRACK EQUIPMENT in accordance with the terms of an Order Granting the Trustee's Motion to Reject all Remaining Railcar and Locomotive Leases and to Establish Procedures for Payments, Credits and Return of Leased Railcars and Locomotives (the "Rejection Order"). A copy of the Rejection Order is attached hereto as Exhibit A.

PLEASE TAKE FURTHER NOTICE that all terms of the Rejection Order remain binding and are in full force and effect, including without limitation the procedures ("Procedures") governing the return of rejected railcars and locomotives attached as Exhibits A and B to the Rejection Order.

[1] The following entities are also debtors: Canadian American Railroad Company ("CDAC"), Chapter 11 Case No. 02-10858, Logistics Management Systems, Inc. ("LMS"), Chapter 11 Case No. 02-10864, Newport and Richford Railroad Company

A true copy
Attest: Celia E. Strickler, Clerk
by Deputy Clerk

THE PROCEDURES ARE APPLICABLE TO ALL LEASES REJECTED BY VIRTUE OF THE REJECTION ORDER ATTACHED HERETO AS EXHIBIT A, AND TO ALL LEASES OF RAILCARS, TRACK EQUIPMENT, AND/OR LOCOMOTIVES REJECTED UNDER THE FOLLOWING ORDERS, all as ordered by the Court in the its order entered on January 8, 2003 and attached hereto as Exhibit B: (1) order entered on April 2, 2002 and entitled "Order Granting The Trustee's Motion To Reject Certain Railcar Leases;" and (2) order entered on October 23, 2002 and entitled "Order Granting The Trustee's Motion To Reject Certain Executory Contracts And Railcar/Locomotive/Track Equipment Leases."

ALL OWNERS OF RAILCARS, LOCOMOTIVES, TRACK EQUIPMENT AND/OR ANY OTHER PROPERTY FORMERLY LEASED UNDER THE LEASES REJECTED IN THE FOREGOING ORDERS SHOULD RETRIEVE SUCH PROPERTY (COLLECTIVELY, THE "REJECTED EQUIPMENT") IMMEDIATELY, AS AUTHORIZED AND SET FORTH IN THE PROCEDURES. THE TRUSTEE, DEBTOR-IN-POSSESSION, AND THESE ESTATES HAVE NO FURTHER INTEREST IN THE REJECTED EQUIPMENT.

Dated: January 10, 2003

Respectfully submitted,

JAMES E. HOWARD, Trustee for the Estate of
BAR, CDAC, NVT, N&R, and VBB, and
LOGISTICS MANAGEMENT SYSTEMS, INC.,
DEBTOR-IN-POSSESSION
By Their Attorneys:

/s/Andrew R. Sarapas

Roger A. Clement, Jr., Esq.
Andrew R. Sarapas, Esq.

VERRILL & DANA, LLP
One Portland Square
P.O. Box 586
Portland, ME 04112-0586
207-774-4000 - Phone
207-774-7499 - Fax

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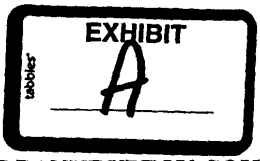
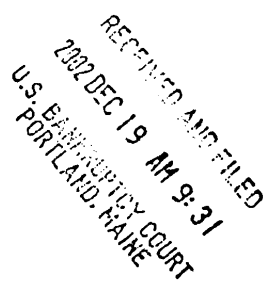
("N&R"), Chapter 11 Case No. 02-10856, The Northern Vermont Railroad Company Incorporated ("NVT"), Chapter 11 Case No. 02-10857, and Van Buren Bridge Company ("VBB"), Chapter 11 Case No. 02-10865.





UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

In re:	)	
	)	Chapter 11
BANGOR & AROOSTOOK RAILROAD COMPANY,[1]	)	Case No. 01-11565
	)	
Debtor.	)	

ORDER GRANTING THE TRUSTEE'S MOTION TO REJECT ALL REMAINING RAILCAR AND LOCOMOTIVE LEASES AND TO ESTABLISH PROCEDURES FOR PAYMENTS, CREDITS AND RETURN OF LEASED RAILCARS AND LOCOMOTIVES

This matter having come before the Court on the Trustee's Motion to Reject All Remaining Railcar and Locomotive Leases and Establish Procedures for Payments, Credits and Return of Leased Railcars and Locomotives, dated November 20, 2002 (the "Motion"), after such notice and hearing as appropriate, the court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, and finding that this is a core proceeding under 11 U.S.C. § 157(b)(2), and the Court further finding that good cause exists for the relief sought by the Motion, it is hereby

A. ORDERED that all capitalized terms shall have the meanings ascribed to them in the Motion unless otherwise defined herein;

B. ORDERED that all of the Trustee's rights to assert that Rejected Leases (as that term is defined in the Motion) expired by their own terms or were terminated prior to the respective filing date for each Debtor are preserved;

C. ORDERED that, to the extent that the Rejected Leases have not otherwise been terminated pursuant to applicable non-bankruptcy law, pursuant to Sections 105(a) and 365(a) of the Code and Bankruptcy Rule 6006, the Rejected Leases are deemed rejected as of the Closing Date, and that the Trustee shall provide notice to all affected lessors within the expiration of two

(2) business days after the Closing Date;

D. ORDERED that after the Closing Date (or after the time that cars loaded with freight are unloaded), neither the Trustee nor the Debtors' estates shall have any liability to pay to the lessor rent or any other amounts accruing after such dates under the Rejected Leases on account of any Rejected Equipment. For Rejected Leases in which the lessee is credited by the lessor with car hire earnings, the lessee will be credited by the lessor with all car hire earnings that accrue on account of the usage of the cars prior to the Closing Date;

E. ORDERED that any car hire charges that accrued on account of the usage of the Rejected Cars prior to and through the date of the Closing are the property of the estates and should be turned over to or credited to the account of the Trustee;

F. ORDERED that after the Closing Date (or after the time that Rejected Cars loaded with freight are unloaded), the lessors under the Rejected Leases shall have full responsibility for, and bear all risk of loss or liability with respect to, the Rejected Equipment, and neither the Trustee nor the Debtors' estates shall have such responsibility or risk;

G. ORDERED that the Procedures set forth in Exhibit A to this Order are approved and shall be binding upon all lessors of the Rejected Equipment, by the Trustee, and by MMA, provided, however, that if any affected lessor files and serves on counsel to the Trustee and counsel to MMA an objection to the Procedures on or before December 31, 2002, then the portion of this Order approving the Procedures shall not become a final order as to such objecting party, and only as to such objecting party, until the court considers and rules upon such objection, and further provided that this Court shall conduct a hearing on any timely filed objection to the Procedures on January 8, 2003 at 11:00, and further provided that no later than December 19, 2002, the Trustee shall serve notice of the provisions of this paragraph on all

lessors under the Rejected Leases, and further provided that any objection filed pursuant to this paragraph shall have no affect any term or provision of this Order other than the application of the Procedures to such objecting party ;

H. ORDERED that the Court shall retain jurisdiction to hear and determine any disputes relating to the Order granting this Motion and the Procedures;

I. ORDERED that service of this Motion as provided herein shall be deemed good and sufficient notice of such Motion under all the facts and circumstances of this case;

J. ORDERED that, except as set forth in Ordering paragraph K, L, and M below, nothing in this Order is intended to or shall have the effect of amending or altering any express provision of the Compromise and Settlement Agreement by and between the Trustee, the Bank Austria Parties, the Progress Parties and others or the Order Approving Compromise and Settlement Agreement dated November 7, 2002 (the "Settlement Agreement");

K. ORDERED that, in addition to the allowed administrative claim of Railcar, Ltd. in the amount of $49,842.59 set forth in paragraph 1.B and in Exhibit A of the Settlement Agreement, Railcar, Ltd. shall have an allowed administrative claim of $17,000 (with the result that Railcar, Ltd.'s total allowed administrative claim shall be $66,842.59;

L. ORDERED that Railcar, Ltd. may continue to collect and retain car hire payments on account of its lease of certain Plate F boxcars to the Bangor & Aroostook Railroad Company ("BAR") , which continued collections shall not reduce the amount of Railcar, Ltd.'s allowed administrative claim; and

M. ORDERED that the following sentences, which appear in the Compromise Order, shall be amended and modified as follows:

The sentence in Exhibit B, paragraph 1.C that currently reads, "Under no circumstances shall RAFT be entitled to (i) collect proceeds from the GP Contract for the periods after the Trustee has either rejected or assumed and assigned the GP Contract or (ii) collect car hire that is attributable to use of any car after the Trustee has rejected the RAFT Lease and ceased using such car," SHALL BE MODIFIED to read as follows: "Under no circumstances shall RAFT be entitled to (i) collect proceeds from the GP Contract for the periods after the Trustee has either rejected or assumed and assigned the GP Contract. Other than to satisfy any unpaid allowed administrative claim, RAFT not be entitled to retain, and shall turn over to the Trustee, any and all car hire that is attributable to or generated by the use of any car before the Trustee rejected the RAFT Lease."

The sentence in Exhibit H, paragraph 2 that currently reads, "Under no circumstances shall RAFT be entitled to collect car hire that is attributable to use of any car after the Trustee has rejected the RAFT Lease and ceased using such car," SHALL BE MODIFIED to read as follows: "Other than to satisfy any unpaid allowed administrative claim, RAFT not be entitled to retain, and shall turn over to the Trustee, any and all car hire that is attributable to or generated by the use of any car before the Trustee rejected the RAFT Lease."

N. ORDERED that nothing in this Order is intended to or shall have the effect of amending or altering any express provision of the Consent Agreement between the Trustee and Trinity Industries, as approved by the Court by Order dated November 4, 2002;

O. ORDERED that, except as expressly set forth herein, this Order not shall affect the rights of lessors of the Rejected Leases to assert any claims arising under the Rejected Leases, including without limitation unsecured and administrative claims and rejection damage

claims arising under 11 U.S.C. §365(g).

Dated: December 18, 2002

Honorable James B. Hanlon, Jr.

United States Bankruptcy Judge

EXHIBIT A

TO ORDER GRANTING TRUSTEE'S MOTION TO REJECT ALL REMAINING RAILCAR AND LOCOMOTIVE LEASES AND TO ESTABLISH PROCEDURES FOR PAYMENTS, CREDITS AND RETURN OF LEASED RAILCARS AND LOCOMOTIVES

Procedure for Return of Rejected Railcars and Locomotives

I. DEFINITIONS

"Category 1" shall mean Cars or Locomotives that are currently in service or in serviceable condition and interchangeable.

"Category 2" shall mean Cars or Locomotives that are currently in service or in serviceable condition but not interchangeable.

"Category 3" shall mean Cars or Locomotives that are not currently in service or in serviceable condition but that are movable and interchangeable.

"Category 4" shall mean Cars or Locomotives that are not currently in service or in serviceable condition due to damage or lack of repair, that are not movable or interchangeable but that are not damaged beyond repair.

"Category 5" shall mean Cars or Locomotives that are damaged beyond economical repair.

"Cars" shall mean railcars described in and or subject to any of the leases that are rejected pursuant to the Trustee's Motion to Reject All Remaining Railcar and Locomotive Leases dated on or about November 20, 2002, as granted by Order dated December __, 2002.

"Closing Date" shall mean the date on which the sale to MMA occurs .

"MMA" shall mean and describe the entity or entities that purchase the Debtors' estate's rail operations pursuant to the Asset Purchase Agreement dated July 24, 2002 between the Trustee, Logistics Management Systems, Inc., and Litwin Boyadjian, Inc. (as Trustee to the

Proposal of the Quebec Southern Railroad Company Ltd.) as sellers, and MMA as purchasers (the "APA"), which entities are expected to be Montreal, Maine & Atlantic Railway, LLC. and Montreal, Maine & Atlantic Canada Co. or their designees.

"Lessor" shall mean the lessor under any of the leases that are rejected pursuant to the Trustee's Motion to Reject All Remaing Railcar and Locomotive Leases dated on or about November 20, 2002, as granted by Order dated December __, 2002., or any successor in interest to Lessor as the result of an assignment or sale of the Cars or Locomotives.

"lessee" shall mean the lessee under any of the leases that are rejected pursuant to the Trustee's Motion to Reject All Remaining Railcar and Locomotive Leases dated on or about November 20, 2002, as granted by Order dated December __, 2002.

"Locomotives" shall mean locomotives described in and or subject to any of the leases that are rejected pursuant to the Trustee's Motion to Reject All Remaining Railcar and Locomotive Leases dated on or about November 20, 2002, as granted by Order dated December __, 2002.

"Trustee" shall mean James E. Howard in his capacity as Chapter 11 Trustee in the estates of Bangor and Aroostook Railroad ("BAR"), Canadian American Railroad Company (" CDAC"), Newport and Richford Railroad Company ("N&R"), Northern Vermont Railway Company ("NVT"), and Van Buren Bridge Company ("VBB").

II. BACKGROUND AND ASSUMPTIONS

As discussed below, Cars will either be loaded or empty at the time of the closing. Furthermore, Cars, whether empty or loaded, could be on lines of the BAR system or off-line at the time of closing. It is assumed that all Locomotives will be on lines of the BAR system at the time of the closing. Some of the Cars currently carry railroad reporting marks other than those of the BAR System (BAR, CDAC, NVR, QSR and VB). For such Cars, MMA will not be subject to car hire, mileage or rental costs of any kind while such Cars are either being moved off the lines of MMA, or are held at points on the lines of MMA. Other Cars bear BAR system reporting marks. Such BAR system reporting marks will become the property and responsibility of MMA at closing. Accordingly, each Lessor shall change the reporting marks of those Cars under its control as quickly as practicable. Except for Cars that are loaded with freight as of the Closing Date, MMA will not forward Cars bearing BAR reporting marks to points off the lines of MMA until the reporting marks have been changed, and such change is reflected in the UMLER (Universal Machine Language Equipment Register) file maintained by the Association of American Railroads. Lessor(s) will indemnify MMA against any costs, expenses or liabilities of any nature whatsoever relating to the Cars and Locomotives subject to these procedures, unless otherwise provided herein.

The following section assumes that MMA and Lessor(s) have not reached a separate agreement for the use and handling of the Cars or Locomotives in question.

III. PROCEDURES FOR RETURN OF CARS AND LOCOMOTIVES

The following terms and conditions shall apply to the return of the Cars and the Locomotives.

1. Cars in categories 1 or 2 that are loaded as of the closing shall be permitted to move to their final destination and be unloaded. After such loaded Cars are unloaded, and as of the closing for Cars in category 1 that are not loaded, (a) the Lessors shall be permitted immediately to intercept or take possession of Cars that are unloaded or empty Cars that are located on lines other than lines of MMA and (b) MMA shall move such Cars and Locomotives that become empty or are empty on lines of MMA to interchanges designated by the Lessors. MMA shall receive compensation for performing these movements at the rate of $1.00 (US) per mile moved, with a minimum charge of $100.00. Such charges shall be paid in advance to MMA by the Lessor of the Cars and Locomotives.

2. Cars and Locomotives in category 2 will be moved to points on the lines of MMA at the same level of charges as outlined in paragraph 1 above. If it is the desire to move category 2 Cars and Locomotives via interchange to another carrier (it being understood that category 2 Cars and Locomotives, by definition, are not eligible for movement in interchange service under the rules of the FRA and/or AAR), it shall be the responsibility of the Lessor to obtain the agreement in writing of such connecting carrier to accept such category 2 Cars and Locomotives as are offered in interchange. Lessor must furnish a copy of such written agreement to MMA along with their instructions for movement of the Cars and Locomotives. If the connecting carrier fails to accept the Cars or Locomotives in interchange, Lessor shall pay MMA $500.00 per car or locomotive so rejected, plus the actual expenses of handling.

3. As of the closing date, the Lessors may intercept or take possession of Cars or Locomotives that are in category 3 and that are located on lines other than lines of MMA, and MMA shall move such Cars or Locomotives in category 3 that are located on its lines to interchanges designated by the Lessors. Such Cars and Locomotives must, in the sole judgment of MMA, be in a condition which allows their movement, in regular train service, without risk to MMA's operations or to the public safety. If repairs are required arrangements must be made with MMA to undertake repairs as outlined in paragraph 7 below. Movement of Cars and Locomotives in category 3, assuming no repairs are required, will be handled by MMA under the same rates and conditions as outlined in paragraph 1 above. If special train movements are required, additional charges will apply in accordance with MMA tariffs.

4. With respect to Cars or Locomotives that are in category 4 and that are located on lines of MMA after closing, the Lessors may make arrangements with MMA, in accordance with paragraph 7 below, (a) to have MMA repair such Cars or Locomotives, and then to have MMA deliver them to a point or points designated by the Lessors or (b) to take other actions agreed upon by MMA and the Lessors. MMA will move category 4 Cars and Locomotives, after repairs

completed to the satisfaction of MMA, under the same rates and conditions outlined in paragraph 1 above. MMA is under no obligation to move the Cars or Locomotives if they are not satisfactorily repaired, cannot be moved in regular train service, or represent a risk to the operations of MMA or to the public safety.

5. With respect to Cars or Locomotives that are in category 5 and that are located on lines of MMA after closing, the Lessors may make arrangements with MMA, in accordance with paragraph 7 below, (a) to have MMA deliver such Cars or Locomotives, if feasible, to designated points or (b) to take other actions agreed upon by MMA and the Lessors.

6. With respect to Cars or Locomotives that are in categories 4 or 5 and that are located on lines other than lines of MMA after closing, the Lessors may intercept or take possession of such Cars or Locomotives wherever they are located.

7. MMA will provide services to the Lessor, in addition to those outlined above, as follows:

a) Storage – MMA shall provide storage of such Cars and Locomotives as are on the lines of MMA at closing, with the understanding that the provision of storage space is at all times secondary to the requirements of the ongoing operations of MMA, and that such storage locations will be at the discretion of MMA. During such period of storage, MMA shall not liable for any car hire costs of any kind. Storage shall be at the sole risk of Lessor(s), except in the event of gross negligence on the part of MMA or its employees. Charges for Cars: from the date of closing until April 30, 2003 – free of charge. From May 1 until May 31 - $0.75 per car per day; From June 1 until June 30 - $1.50 per car per day; From July 1 until July 31 - $2.00 per car per day; From August 1 onward - $4.00 per car per day. Locomotives will be stored for a fee of $5.00 per locomotive per day. Charges for storage of Cars and Locomotives will be billed monthly to Lessor, and must be paid in full before MMA will undertake to move Cars on the instructions of Lessor or any other party claiming authority.

b) Repairs – MMA will undertake to provide repair services to Lessors for their Cars, but only with the understanding that the ongoing requirements of MMA's own business will have full and complete priority at all times. MMA is under no obligation whatsoever to add additional staff to repair the Cars of Lessors on an expedited basis.. MMA will provide repair services based upon the cost of labor (as set forth in AAR Office Manual of the Interchange Rules, job code 4450) and materials (plus appropriate overhead additives). Services will only be provided after Lessor has agreed to and signed a repair estimate, and must result in a repair which will allow the car to conform to the interchange rules of the AAR and be considered safe for movement in the sole judgment of MMA. It is recognized that actual repair costs may be higher than original estimates. MMA will render invoices for individual Cars as the work on each is completed, and Lessors shall make prompt payment as each Car is completed.

Under the appropriate circumstances, MMA may consider making space available at points, other than its normal repair locations, on a leased basis to allow the repair or dismantling of Cars by mobile repair units from outside sources on such terms as my be agreed upon; provided, however, that the Lessor shall fully indemnify MMA from any and all liability

whatsoever, shall fully restore the site after the termination of the lease period, and shall provide appropriate bonding requirements to insure performance according to the lease.

c) Payment of Charges – MMA will not release Cars or Locomotives from repair facilities, nor move Cars or Locomotives under other circumstances until all outstanding charges due to MMA of any kind are paid in full by the Lessor. In the event that outstanding charges are not paid by Lessor within ninety (90) days of the invoice date, MMA shall have the right to consider the Cars or Locomotives to be abandoned property, and after 30 days following written notice to Lessor of such abandonment, shall have the full right and authority, without further court order, to dispose of the Cars or Locomotives as it sees fit, including, without limitation, in the event of the sale of any Cars or Locomotives, retaining the proceeds as settlement for the outstanding amounts owed.

[1] The following entities are also debtors: Canadian American Railroad Company, Chapter 11 Case No. 02-10858, Logistics Management Systems, Inc., Chapter 11 Case No. 02-10864, Newport and Richford Railroad Company, Chapter 11 Case No. 02-10856, The Northern Vermont Railroad Company Incorporated, Chapter 11 Case No. 02-10857, and Van Buren Bridge Company, Chapter 11 Case No. 02-10865.

EXHIBIT B TO

ORDER GRANTING THE TRUSTEE'S MOTION TO REJECT REMAINING RAILCAR AND LOCOMOTIVE LEASES AND TO ESTABLISH PROCEDURES FOR PAYMENTS, CREDITS AND RETURN OF LEASED RAILCARS AND LOCOMOTIVES

RAILCAR AND LOCOMOTIVE LEASES TO BE REJECTED
Canadian American Railroad Company
Petition Date: May 14, 2002

Contract No.	Date / Term End	Lessor	Address	Equipment
C-7077/7796/7845 & C-21/33/36		Helm Financial	One Embarcadero Center San Francisco, CA 94111	Various Railcars and Locomotives
C-7867	03/01/02 (termination)	Creditanstalt formerly with National Railway Equipment Co.	150 E. 42nd Street, 29th Floor New York, NY 10017	6 Locomotives
C-7895	24 mos. from acceptance of last unit under this agreement 01/24/01	Joseph Leasing Co.	300 Pike Street Cincinnati, OH 45202-4222	7 Centerbeams
C-7914	Effective 10/01/01 - 10/31/01 but extendable month-to-month	Locomotive Leasing Partners, LLC	Four Embarcadero Center, Suite 2200 San Francisco, CA 94111	4 Locomotives
C-7922	Acceptance Date and continue on a month-to-month basis 3/8/02	Locomotive Leasing Partners, LLC	Four Embarcadero Center, Suite 2200 San Francisco, CA 94111	9 Locomotives
C		MRS/SLRC	2850 Broadway St. Louis, MO 63118	5 Refrigerator Cars
C-7885 (Amtrak)	Term end 02/01/06	Rail World Locomotive Leasing, LLC (formerly w/Amtrak)	c/o Rail World, Inc. 8600 W. Bryn Mawr Avenue Suite 500W Chicago, IL 60631	11 Locomotives, Series 450-462 (452 & 460 returned to Amtrak)
C-49	Term end 9/01/03	Flex Leasing Corporation	234 Front Street San Francisco, CA 94111	125 73' Centerbeam flatcars
C-7876	6 - 9/13/01 44 - 9/01/03 50 - 1/01/04	Flex Leasing Corporation	234 Front Street San Francisco, CA 94111	100 Plate F Box Cars

RAILCAR AND LOCOMOTIVE LEASES TO BE REJECTED
Lessee: Bangor & Aroostook Railroad Company

Contract No.	Date	Lessor	Address	Equipment
C-7836	12/15/06	Compass Capital Corp. (Compass II - Provident)	750 Battery Street, Suite 430 San Francisco, CA 94111	60 64' Chip Hopper Series 13000-13059 25 64' Log Flats Series 12000-12024 25 64' Log Flats Series 11000-11024
C-7755	3/31/02	First Union Rail	One O'Hare Centre 6250 River Road Rosemont, IL 60018	98 50' Box Cars, Plate C, 70 Ton - Sliding Doors Series 525100-525199
C-7755	1/11/01			100 50' Plate F Box Cars Series 570100-570199
C-7798	1/01/02			170 73' Centerbeam Flats Series 732500-732669
C-	2/02 (cars are beginning to be delivered on-line at 1/7/02)	G.E. Capital Railcar Services Corp.	33 West Monroe Street Chicago, IL 60603	100 50' Box Cars, Plate F, Series (MSDR) 19200-192414 (non-inclusive)
C-7797	12/31/05			100 50' Box Cars, Plate C, Sliding Doors Series 7000-7099
C-7770	Month to month			5 59' Covered Hoppers Series 801-805
C-7563				94 50' Box Cars, 70 Ton, Sliding Doors, Plate C Series 5300-5399
C-7519				50 50' Box Cars, Plate C Series 5500-5599
C-7600				182 50' Double-Door Box Cars, 70 Ton Series 9700-9888
C-7770	Month to Month cars returned to GE in 11 & 12/01 other than 2 heavy repairs			2 Box Cars, Plate F Series 20300-20474
C-	2/08/04			128 50' Double Door, Box Cars, Plate C, 70 Ton Series 4100-4269
C-7834	Cars returned to Greenbrier 12/01	Greenbrier	One Centerpointe Drive Suite 200 Lake Oswego, OR 97035	6 89', 70 Ton, TOFC/COFC Flatcars Series 60000-60005
C-7707/7796/7845		Helm Financial	One Embarcadero Center San Francisco, CA 94111	Various-All railcars and locomotives returned to Helm, attachment obtained by Helm in litigation

C-	1/03/03-Cars returned to Joseph 11 & 12/01	Joseph Transportation Services, Inc.	300 Pike Street P. O. Box 1077 Cincinnati, OH 45201-1077	7 Centerbeam Series 99000-99006
C-				12 Hoppers Series UP36049, 225, 286, 241, 242, 246, 253, 291, 298, 365, 376, 437
C-				20 Bethlehem built, stanchioned log cars (Flat) Series NYOG 99007-99026
C-7846	08/14/02	Radnor Rail, Ltd.	159 Strafford Avenue Suite 112 Wayne, PA 19087	5 Tampers
C-7828	12/31/06			14 50' Box Cars Series 90500-90514 79 50' Box Cars Series 6700-6799 76 50' Box Cars Series 6522-6699
C-7877	9/30/01			5 Locomotives Series 20-24 3 Locomotives Series 68-70-75 1 Locomotive Series 79 4 Locomotives Series 60, 63, 67, and 69
C-7846 Master	08/14/02			21 50' Box Cars Series 501-564
				7 50' Box Cars Series 6543-6659
				52 50' Box Cars Series 6801-6998
				5 50' Box Cars Series 9075, 9080
				9 50' Box Cars Series 19103-19221
				31 50' Box Cars Series 24011-24127
				3 40' Box Cars Series 4001-4005
				76 50' Box Cars Series 10010-10500
				39 64' Tree length log Series 1001-1040
				167 44' Semi-tree length Series 1484-1809
				12 57' - 66' Gondolas Series 34001-34016
				9 41' Cov. Hoppers Series 60-68
				5 33' Hopper Series 910-934
				6 10,000 Gal. Tanks Series 80-89
				8 33' - 44' - 54' Flats Series 351-390
				216 40' Chip Hoppers Series 3372-3835
				30 50' Box Cars, Plate F, 100 Ton Series 86000-86029

C-7871	09/01/03	Railcar, Ltd.	Suite 425 1819 Peachtree Road, NE Atlanta, GA 30309-1847	94 50' Box Cars, Plate C, 70 Ton, Sliding Door Series 5200-5297
C-7889	05/01/12			98 50' Box Cars, 70 Ton, Sliding Doors Series 5400-5499
	05/01/02			11 50' Box Cars, Plate C, Series 5571-5594
	05/01/12			113 50' Box Cars, Plate C, Series 5800-5919
	05/01/11			69 50' Box Cars, Plate C, Series 5920-5999
	05/01/11			88 Box Cars Series 8700-8789
	11/01/06			32 Box Cars Series 9000-9034
	11/01/07			42 Box Cars Series 9100-9149
	11/01/07			44 Box Cars Series 9200-9249
	11/01/07			45 Chip Hoppers Series 33501-33575
	05/01/11			25 52' High-Speed Gondolas, 100 Ton, Series 6637-6793
C-	06/01/01			9 Locomotives Series 350-358
C-7821	01/01/04	Residco and ING Barings	Three First National Plaza Suite 777 Chicago, IL 60602	50 60' Box Cars, Plate F, Series 65724-65823
C-	Month to Month	Trinity Industries Leasing Company	2418 Gardner Expressway P. O. Box 867 Quincy, IL 62306-0867	50 60' Plate F Series 65724-65823
C-7777	04/30/05 - Cars returned to Union per instructions	Union Tank Car	175 West Jackson Blvd. Chicago, IL 60604	39 66' Flat Cars Series 866800-866999

EXHIBIT B

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U.S. BANKRUPTCY COURT
PORTLAND, MAINE

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MAINE

In re	)	
	)	Chapter 11
BANGOR & AROOSTOOK RAILROAD COMPANY,[1]	)	Case No. 01-11565
	)	
Debtor.	)	(Jointly Administered)
	)	

ORDER GRANTING TRUSTEE'S MOTION TO REJECT ALL REMAINING EXECUTORY CONTRACTS (EXCEPT CERTAIN EXCLUDED CONTRACTS) AND TO ESTABLISH PROCEDURES GOVERNING RETURN OF RAILCARS AND LOCOMOTIVES UNDER PREVIOUSLY REJECTED LEASES

This matter having come before the Court on the Trustee's Motion To Reject All Remaining Executory Contracts (Except Certain Excluded Contracts) And to Establish Procedures Governing Return Of Railcars And Locomotives Under Previously Rejected Leases, dated December 23, 2002 (the "Motion"), after such notice and hearing as appropriate, the Court having jurisdiction to enter a final order in this core proceeding pursuant to 28 U.S.C. §§ 157 and 1334, and hereby finding that good and adequate cause exists for the relief sought by the Motion, the Court further ORDERS as follows:

A. All capitalized terms shall have the meanings ascribed to them in the Motion, unless otherwise defined herein. Notwithstanding any definition in the Motion to the contrary, the "Rejected Contracts" shall be and hereby are defined to include all of the Debtors' executory contracts remaining after the Closing, but not the following "Excluded Contracts:" (1) the Designated Assigned Contracts; (2) that certain Credit Enhancement Agreement between the Town of Milo, Maine and Bangor & Aroostook Railroad, dated September 5, 2000, and any and

[1] The following entities are also debtors: Canadian American Railroad Company, Chapter 11 Case No. 02-10858, Logistics Management Systems, Inc., Chapter 11 Case No. 02-10864, Newport and Richford Railroad Company, Chapter 11 Case No. 02-10856, The Northern Vermont Railroad Company Incorporated, Chapter 11 Case No. 02-10857, and Van Buren Bridge Company, Chapter 11 Case No. 02-10865.

all related agreements or documents, including without limitation, any related development program documents; (3) the Pension Trust Leases (as defined in this Court's Order Approving Stipulation entered on November 26, 2002; (4) the Junction Agreement, Trackage Agreement, and Ancillary Agreement (as defined in the Trustee's Motion To Reject Executory Contracts (Service And Trackage Agreements) as filed with the Court on March 18, 2002, which agreements are the subject of separate pending proceedings involving the Trustee, Canadian National Railway and Waterloo Railway Company; (5) any and all contracts with Canadian Pacific Ltd, Canadian Pacific Railway Company, and/or any and all affiliated entities (collectively, "CP"), including without limitation all executory contracts identified in the exhibits to the Sale Motion as relating to CP; (6) any and all contracts with Irving Oil Corporation, and/or any and all affiliated entities (collectively, "Irving"), including without all executory contracts identified in the exhibits to the Sale Motion as relating to Irving; (7) such additional executory contracts as the Trustee may identify, no later than the time the Contract Notice is filed and served, as contracts not to be immediately rejected; (8) that certain fiber optics license between BAR and AT&T Communications, Inc. (the "AT&T License"); and (9) any and all contracts relating to the forklifts identified on Exhibit A hereto. The Excluded Contracts are not rejected by this Order, but will be assumed or rejected at a later date, pursuant to prior orders and/or as agreed by the parties.

B. All of the Trustee's rights to assert that the Rejected Contracts expired by their own terms or were terminated prior to the respective filing date for each Debtor are preserved.

C. To the extent the Rejected Contracts have not otherwise been terminated pursuant to applicable non-bankruptcy law, pursuant to Sections 105(a) and 3655(a) of the Code and Bankruptcy Rule 6006, the Rejected Contracts are deemed rejected as of the Closing Date.

D. The Trustee shall file with the Court and serve on all parties to the Rejected Contracts notice of the Closing Date concurrently with filing and service of the Contract Notice, according to the procedures established in the Sale Order and described in the Motion.

E. The Return Procedures (as defined in the Motion and as previously established in Rejection Order III) shall be and hereby are made applicable to any and all railcars and locomotives leased under any and all rejected leases but not yet returned to the non-debtor lessors, whether the underlying leases were rejected in Rejection Order I, Rejection Order II, and/or Rejection Order III.

F. The Court shall retain jurisdiction to hear and determine any disputes relating to the Order granting this Motion and the Return Procedures.

G. Except as expressly set forth herein, this Order shall not affect the rights of any non-debtor party to any of the Rejected Contracts to assert any claims arising under the rejection of the Rejected Contracts, including without limitation unsecured and administrative claims and rejection damage claims arising under 11 U.S.C. § 365(g).

H. This Order is without prejudice to the rights of any and all debtor and non-debtor parties to the Excluded Contract existing as of the date below, and does not modify the terms or provisions of Rejection Order III.

So Ordered this 8th day of January, 2003.

Honorable James B. Haines, Jr.
United States Bankruptcy Judge

EXHIBIT A

ROSTER OF LEASED AND RENTED FORKLIFTS

	MAKE	MODEL	SERIAL #	RATE	LEASSOR/RENTOR	LOCATION
LEASED:	Yale	GLP065ZGNGAE087	A875B07902X	$419	Yale Financial Serv.	BGR
	Yale	GLC080LINGAE094	C818V01697Z	$625	Yale Financial Serv.	BGR
	Yale	GLC060TGNUAE084	E187V18801Z	$445	Yale Financial Serv.	BGR
	Yale	GLC060TGNUAE092	E187V13509X	$462	Citicorp	BGR
	Yale	GLC060TGNUAE092	E187V13510X	$462	Citicorp	BGR
RENTED:	Yale-Electric	ERC040BGN36SE082-EE	A814N01796Z	$675	NITCO	BGR
	Sellick	SD100-4	49732031032-4	$1,350	NITCO	VB
	Sellick	SD100-4	44070071032-4	$1,367	NITCO	JKM
	Sellick	SD100-4	38869061032-4	$1,325	NITCO	BGR
	Cascade Clamp	60F-RC-03B	682284	$300	NITCO	PI
	Yale	GLC080LGNGE85-BCS	B818N01649W	$1,000	NITCO	PI
	Yale	GLP050TGNUAE086	A875B09065X	$810	NITCO	PI

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