

# FraserPapers

September 1, 2009

Chris Caldwell  
Montreal Maine & Atlantic Railway  
15 Iron Road  
Hermon, ME 04401

Dear Chris,

Fraser Papers strongly supports the proposed Transportation Investment Generating Economy Recovery (TIGER) Discretionary Grant application of \$23 million to purchase the rail system from MMA and upgrade the lines.

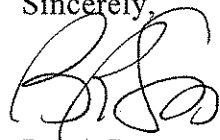
Fraser Papers, an integrated paper mill located in Madawaska ME, ships an average of 350,000 tons per year. 70% of this volume used to ship via rail until the service diminished. Now we ship an average via rail of about 55-60%. Freight cost increased by \$20+/ton of paper from rail to truck.

The mill was built to ship and receive product via rail. Without the rail we would be forced to ship and receive all products via truck. If the rail goes away we need tri-axles to bring raw materials in and our product out of the mill. These tri-axles are currently not allowed on the Interstate 95 and would require the truckers to use secondary roads to reach our customer and the mill.

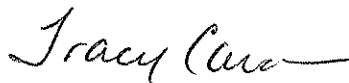
Increased freight cost could cause increase to our pricing on the paper we sell. This could lead us to be non-competitive in the market place. If non-competitive, machines closures could lead to loss of jobs and more people unemployed and needing state assistance.

Thank you for your support.

Sincerely,



Brian Sass  
Director of Supply Chain



Tracy Caron  
Corporate Manager of Transportation