

ENTERED
Office of Proceedings
October 13, 2017
Part of
Public Record

BEFORE THE
SURFACE TRANSPORTATION BOARD

IN THE MATTER OF

NATIONAL EXPRESS LLC

– ACQUISITION OF CONTROL –

QUEEN CITY TRANSPORTATION LLC

STB DOCKET NO. MCF 21078

VERIFIED APPLICATION UNDER 49 U.S.C. § 14303(a)
FOR APPROVAL OF THE ACQUISITION OF CONTROL
BY NATIONAL EXPRESS LLC OF
QUEEN CITY TRANSPORTATION, LLC

National Express LLC (“National Express”), a non-carrier, and Haid Acquisitions LLC, a non-carrier (the “Seller”), respectfully submit this application under 49 U.S.C. § 14303 and Surface Transportation Board (“STB” or the “Board”) regulations at 49 C.F.R. Part 1182 for approval of the transaction more fully described herein (the “Contemplated Transaction”). The result of the Contemplated Transaction will be the direct acquisition of control by National Express of the regulated, interstate and/or intrastate passenger motor carrier, Queen City Transportation, LLC (“Queen City”).

I. Parties of the Contemplated Transaction, Pertinent Operating Authorities, and USDOT Safety Fitness Ratings.

A. Buyer: National Express. National Express is a non-carrier holding company that is organized under the laws of the state of Delaware, and is headquartered at 2601 Navistar Drive, Lisle, IL 60532. It is indirectly controlled by a British corporation, National Express Group, PLC (“Express Group”). National Express does not have interstate

FEE RECEIVED
October 13, 2017
SURFACE
TRANSPORTATION BOARD

FILED
October 13, 2017
SURFACE
TRANSPORTATION BOARD

carrier authority and does not have a United States Department of Transportation (“USDOT”) Number or Safety Rating.

B. Affiliates of National Express. In addition to its affiliation with National Express, Express Group indirectly controls the following passenger motor carriers (the “National Express Affiliated Carriers”): Beck Bus Transportation Corp. (“Beck”), Carrier Management Corporation, d/b/a Matthews Bus Company (“CMI”), Diamond Transportation Services, Inc. (“Diamond”), Durham School Services, L.P. (“Durham”), MV Student Transportation, Inc. (“MV”), National Express Transit Corporation (“NETC”), National Express Transit Services Corporation (“NETSC”), National Express Transit – Yuma (“NETY”), Petermann Ltd. (“Petermann”), Petermann Northeast LLC (“Petermann Northeast”), Petermann Northwest LLC (“Petermann Northwest”), Petermann Southwest LLC (“Peterman Southwest”), Petermann STSA, LLC (“Petermann STSA”), The Provider Enterprises, Inc. (“Provider”), Rainbow Management Service Inc. (“Rainbow”), Robertson Transit, Inc. (“Robertson”), Safeway Training and Transportation Services Inc. (“Safeway”), Septran, Inc. (“Septran”), Smith Bus Service, Inc. (“Smith”), Suburban Paratransit Service, Inc. (“Suburban Paratransit”), Trans Express, Inc. (“Trans Express”), Trinity, Inc. (“Trinity”), Trinity Cars, Inc. (“Trinity Cars”), Trinity Coach LLC (“Trinity Coach”), Trinity Student Delivery LLC (“Trinity Student”), and White Plains Bus Company, Inc., d/b/a Suburban Charters (“White Plains”). The National Express Affiliated Carriers collectively hold a number of interstate and intrastate for-hire passenger motor carrier authorities. Descriptions of the National Express Affiliated Carriers are as follow:

1. **Beck.** Beck is a passenger motor carrier primarily engaged in providing student school bus transportation services in the states of Illinois under contracts with regional and local school jurisdictions. In addition to its core school bus services, Beck also provides charter passenger services to the public. Beck’s principal

place of business is located at 2201 Brownsville Road, Mount Vernon, IL 62864. The USDOT Number assigned to Beck is 277593, and Beck currently has a “Satisfactory” USDOT Safety Rating. Beck holds interstate carrier authority under Federal Motor Carrier Safety Administration (“FMCSA”) Docket No. MC-143528. In its operations, Beck utilizes approximately 255 passenger carrying vehicles and approximately 233 drivers.

2. **CMI**. CMI is a passenger motor carrier doing business as Matthews Bus Company and is primarily engaged in providing student school bus transportation services in the state of Pennsylvania under contracts with regional and local school jurisdictions. In addition to its core school bus services, CMI also provides intrastate charter passenger services to the public. CMI’s principal place of business is located at 1112 First Street, Jefferson Hills, PA 15025. The USDOT Number assigned to CMI is 1245654. CMI does not have interstate carrier authority (which is not required for the operations conducted by CMI), and CMI does not have a USDOT Safety Rating. In its operations, CMI utilizes approximately 252 passenger carrying vehicles and 243 drivers.

3. **Diamond**. Diamond is a passenger motor carrier providing exempt interstate and regulated intrastate paratransit and shuttle services in the District of Columbia metropolitan area. Diamond’s principal place of business is located at 7307 C Highland Street, Springfield, VA 22150. The USDOT Number assigned to Diamond is 1180062, and Diamond currently has a “Satisfactory” USDOT Safety Rating. Diamond does not have interstate carrier authority (which is not required for the operations conducted by Diamond). Diamond utilizes approximately 51 passenger carrying vehicles and 41 drivers.

4. **Durham**. Durham is a passenger motor carrier primarily engaged in providing student school bus transportation services in several states under contracts with regional and local school jurisdictions. In addition to its core school bus services, Durham also provides charter passenger services to the public. Durham's principal place of business is located at 2601 Navistar Drive, Lisle, IL 60532. The USDOT Number assigned to Durham is 350651, and Durham currently has a "Conditional" USDOT Safety Rating. Durham holds interstate passenger authority under FMCSA Docket No. MC-163066. In its operations, Durham utilizes approximately 48 passenger carrying vehicles and 42 drivers.

5. **MV**. MV is a passenger motor carrier primarily engaged in providing student school bus transportation services in the state of Illinois under contracts with regional and local school jurisdictions. In addition to its core school bus services, MV also provides charter passenger services to the public. MV's principal place of business is located at 1832 Derhake Road, Florissant, MO 63033. The USDOT Number assigned to MV is 1049130, and MV currently has a "Satisfactory" USDOT Safety Rating. MV holds interstate passenger authority under FMCSA Docket No. MC-148934. MV utilizes approximately 150 passenger carrying vehicles and 131 drivers in its operations.

6. **NETC**. NETC is an intrastate passenger motor carrier with its principal place of business at 8041 Hosbrook Road, Suite 330, Cincinnati, OH 45236, providing services in the areas of Licking County, OH, Merced, CA, Colorado Springs, CO, and McKees Rock, PA. The USDOT Number assigned to NETC is 2430646. NETC does not have interstate carrier authority and does not have a USDOT Safety Rating. NETC utilizes approximately 774 passenger carrying vehicles and 855 drivers in its operations.

7. **NETSC.** NETSC is an intrastate passenger motor carrier engaged primarily in providing intrastate transit services in the areas of Westmoreland, PA, Arlington, VA, Greensboro, NC, Jackson, MS, Orlando, FL, and Vallejo, CA. NETSC's principal place of business is located at 2601 Navistar Drive, Lisle, IL 60532.. The USDOT Number assigned to NETSC is 2441459. NETSC does not have interstate carrier authority (which is not required for the operations conducted by NETSC). NETSC does not have a USDOT Safety Rating. In its operations, NETSC utilizes approximately 379 passenger carrying vehicles and 520 drivers.

8. **NETY.** NETY is an interstate passenger motor carrier engaged primarily in providing interstate paratransit services in the area of Yuma, AZ. NETY's principal place of business is located at 2601 Navistar Drive, Lisle, IL 60532. The USDOT Number assigned to NETY is 2532398, and NETY currently holds a "Satisfactory" USDOT Safety Rating. NETY holds interstate carrier authority under FMCSA Docket No. 960629. In its operations, NETY utilizes 24 passenger carrying vehicles and 40 drivers

9. **Petermann.** Petermann is a passenger motor carrier primarily engaged in providing non-regulated school bus transportation services in the state of Ohio under contracts with regional and local school jurisdictions. In addition to its core school bus services, Petermann also provides charter passenger services to the public. Petermann's principal place of business is located at 8041 Hosbrook Road, Suite 330, Cincinnati, OH 45236. The USDOT Number assigned to Petermann is 821384, and Petermann currently has a "Satisfactory" USDOT Safety Rating. Petermann holds interstate carrier authority under FMCSA Docket No. MC-364668. Petermann utilizes approximately 1,000 passenger carrying vehicles and has 974 drivers in its operations.

10. **Petermann Northeast.** Petermann Northeast is a passenger motor carrier primarily engaged in providing student school bus transportation services primarily in the states of Ohio and Pennsylvania under contracts with regional and local school jurisdictions. In addition to its core school bus services, Petermann Northeast also provides charter passenger services to the public. Petermann Northeast's principal place of business is located at 8041 Hosbrook Road, Suite 330, Cincinnati, OH 45236. The USDOT Number assigned to Petermann Northeast is 2058860. Petermann Northeast holds interstate carrier authority under FMCSA Docket No. MC-723926. No USDOT Safety Rating has been assigned to Petermann Northeast. In its operations, Petermann Northeast utilizes approximately 351 passenger carrying vehicles and 357 drivers.

11. **Petermann Northwest.** Petermann Northwest is a passenger motor carrier primarily engaged in providing non-regulated school bus transportation services under contracts with regional and local school jurisdictions. Petermann Northwest's principal place of business is located at 850 92nd Avenue, Suite 2A, Oakland, CA 94603. The USDOT Number assigned to Petermann Northwest is 1743473. Petermann Northwest does not have interstate carrier authority (which is not required for the operations conducted by Petermann Northwest). No USDOT Safety Rating has been assigned to Petermann Northwest. Petermann Northwest utilizes approximately 145 passenger carrying vehicles and has 130 drivers in its operations.

12. **Petermann Southwest.** Petermann Southwest is a passenger motor carrier primarily engaged in providing non-regulated school bus transportation services in the state of Texas under contracts with regional and local school jurisdictions. Petermann Southwest also provides charter passenger services to the

public. Petermann Southwest's principal place of business is located at 2101 Crystal Bend Drive, Pflugerville, TX 78660. The USDOT Number assigned to Petermann Southwest is 1765359. Petermann Southwest holds interstate carrier authority under FMCSA Docket No. MC-644996. No USDOT Safety Rating has been assigned to Southwest. In its operations, Southwest utilizes approximately 153 passenger carrying vehicles and 143 drivers.

13. **Petermann STSA.** Petermann STSA is a passenger motor carrier primarily engaged in providing non-regulated school bus transportation services primarily in the state of Kansas under contracts with regional and local school jurisdictions. In addition to its core school bus services, Petermann STSA also provides charter passenger services to the public. Petermann STSA's principal place of business is located at 7321 West 135th Street, Overland Park, KS 66223-1210. The USDOT Number assigned to Petermann STSA is 2133951. Petermann STSA holds interstate carrier authority under FMCSA Docket No. MC-749360 and has a "Satisfactory" USDOT Safety Rating. In its operations, Petermann STSA utilizes approximately 175 passenger carrying vehicles and has 198 drivers.

14. **Provider.** Provider is a passenger motor carrier doing business as Provider Bus, primarily engaged in providing non-regulated school bus transportation services in the state of New Hampshire under contracts with regional and local school jurisdictions. Provider's principal place of business is located at 127 Pine Road, Brentwood, NH 03833. The USDOT Number assigned to Provider is 1129948. Provider does not have interstate carrier authority (which is not required for the operations conducted by Provider). No USDOT Safety Rating has been assigned to

Provider. In its operations, Provider utilizes 185 passenger carrying vehicles and 139 drivers.

15. **Rainbow**. Rainbow is a passenger motor carrier providing interstate and intrastate charter and special party passenger transportation services in the state of New York. Rainbow's principal place of business is located at 150 Conover Street, Brooklyn, NY 11231. The USDOT Number assigned to Rainbow is 1261183. Rainbow holds interstate carrier authority under FMCSA Docket No. MC-490015, and Rainbow has a "Satisfactory" USDOT Safety Rating. In its operations, Rainbow utilizes approximately 21 passenger carrying vehicles and 121 drivers.

16. **Robertson**. Robertson is a passenger motor carrier primarily engaged in providing non-regulated school bus transportation services in the state of New Hampshire under contracts with regional and local school jurisdictions. Robertson also provides charter passenger services to the public. Robertson's principal place of business is located at 22 Merrill Road, Thornton, NH 03285. The USDOT Number assigned to Robertson is 260681. Robertson does not have interstate carrier authority (which is not required for the operations conducted by Robertson). Robertson has a "Satisfactory" USDOT Safety Rating and utilizes 50 passenger carrying vehicles and has 30 drivers in its operations.

17. **Safeway**. Safeway is passenger motor carrier primarily engaged in providing non-regulated school bus transportation services in the state of New Hampshire under contracts with regional and local school jurisdictions. Safeway's principal place of business is located at 62 Newton Junction Road, Kingston, NH 03848. The USDOT Number assigned to Safeway is 1203741. No USDOT Safety Rating has been assigned to Safeway. FMCSA Docket No. MC-522039 is assigned to Safeway; however, the interstate authority under that number is not active, as it does

not conduct regulated interstate service. Safeway utilizes approximately 124 passenger carrying vehicles and 100 drivers in its operations.

18. **Septran**. Septran is passenger motor carrier providing non-regulated school bus transportation services in the state of Illinois under contracts with regional and local school jurisdictions. Septran's principal place of business is located at 2601 Navistar Drive, Lisle, IL 60532. The USDOT Number assigned to Septran is 924933 and is inactive. No USDOT Safety Rating has been assigned to Septran. FMCSA Docket No. MC-795208 is assigned to Septran; however, the interstate carrier authority under that number is not active, as it does not conduct regulated interstate services. In its operations, Septran utilizes approximately 1,018 passenger carrying vehicles and 818 drivers.

19. **Smith**. Smith is passenger motor carrier providing non-regulated school bus transportation services in the state of Maryland and surrounding areas under contracts with regional and local school jurisdictions. Smith's principal place of business is located at 2601 Navistar Drive, Lisle, IL 60532. The USDOT Number assigned to Smith is 580046. No USDOT Safety Rating has been assigned to Smith, and Smith does not have interstate carrier authority (which is not required for the operations conducted by Smith). Smith utilizes approximately 173 passenger carrying vehicles and has 90 drivers in its operations.

20. **Suburban**. Suburban is a passenger motor carrier providing paratransit services primarily in Westchester County and Bronx, New York. Suburban's principal place of business is located at 14 Fisher Lane, White Plains, New York 10603. Suburban does not hold interstate carrier authority, a USDOT number, or a USDOT Safety Rating (none of which is required for the operations conducted).

Suburban utilizes approximately 95 passenger carrying vehicles and has 120 drivers in its operations.

21. **Trans Express**. Trans Express is a passenger motor carrier providing interstate and intrastate passenger transportation services in the state of New York. Trans Express's principal place of business is located at 150 Conover Street, Brooklyn, NY 11231. The USDOT Number assigned to Trans Express is 530250. Trans Express holds interstate passenger carrier under FMCSA Docket No. MC-187819, and has a "Satisfactory" USDOT Safety Rating. In its operations, Trans Express utilizes approximately 39 passenger carrying vehicles and has 110 drivers.

22. **Trinity**. Trinity is a passenger motor carrier providing non-regulated school bus transportation services in the area of southeastern Michigan, and charter service to the public. Trinity's principal place of business is located at 4624 13th Street, Wyandotte, MI 48192. The USDOT Number assigned to Trinity is 822553. Trinity holds interstate passenger authority under FMCSA Docket No. MC-364003. Trinity does not have a USDOT Safety Rating. Trinity utilizes 303 passenger carrying vehicles and has 267 drivers.

23. **Trinity Cars**. Trinity Cars is an intrastate passenger motor carrier and operating as a provider of for-hire sedan and van service in the area of southeastern Michigan. Trinity Car's principal place of business is located at 4624 13th Street, Wyandotte, MI 48192. FMCSA Docket No. MC-632139 and USDOT Number 1724857 are assigned to Trinity Cars; however, the USDOT Number is not active, as Trinity Cars does not conduct regulated interstate services. Trinity Cars utilizes 50 passenger carrying vehicles and has 45 drivers.

24. **Trinity Coach**. Trinity Coach is a passenger motor carrier providing intrastate private and charter motor coach services in the state of Michigan. Trinity

Coach's principal place of business is located at 4624 13th Street, Wyandotte, MI 48192. Trinity Coach has USDOT Number 1419991 and holds a "Satisfactory" USDOT Safety Rating. The interstate passenger authority of Trinity Coach under FMCSA Docket No. 537169 is not active, as Trinity Coach does not conduct regulated interstate services. Trinity Coach utilizes 52 passenger vehicles and has 70 drivers.

25. Trinity Student. Trinity Student is a passenger motor carrier primarily providing non-regulated school bus transportation services in the areas of Toledo and Cleveland, Ohio, and passenger charter services. Trinity Student's principal place of business is located at 4624 13th Street, Wyandotte, MI 48192. Trinity Student has USDOT Number 2424638, and does not have a USDOT Safety Rating. Trinity Student holds interstate carrier operating authority under FMCSA Docket No. MC-836335. Trinity Student utilizes approximately 68 passenger vehicles and has 48 drivers.

26. White Plains. White Plains is a passenger motor carrier doing business as Suburban Charters, primarily as a providing of non-regulated school bus transportation services in the State of New York, in addition to providing charter service to the public. White Plains' principal place of business is located at 14 Fisher Lane, White Plains, NY 10603. The USDOT Number assigned to White Plains is 25675. White Plains holds interstate passenger common authority under FMCSA Docket No. MC-160624, and White Plains has a "Satisfactory" USDOT Safety Rating. White Plains utilizes 255 passenger vehicles and has 169 drivers.

C. Queen City. Queen City is an Ohio limited liability company with its principal place of business at 1053 Ebenezer Road, Cincinnati, OH 45233. Queen City operates primarily as a motor carrier provider of non-regulated school bus transportation services, transporting students to and from school in the area of Cincinnati, Ohio. Queen City also

provides interstate and intrastate charter services under the assumed names, Charter Bus Services and Klug Bus Service, and it holds intrastate passenger authority in the states of Indiana, Kentucky and Ohio. The USDOT Number assigned to Queen City is 224683, and Queen City has a “Satisfactory” USDOT Safety Rating. For purposes of its interstate passenger operations, Queen City holds interstate carrier operating authority under FMCSA Docket No. MC-163846. Queen City utilizes 187 passenger vehicles and has 74 drivers.

D. Affiliates of the Queen City. Queen City is not affiliated with any other passenger carriers that have interstate passenger motor carrier authority.

E. Seller: All of the issued and outstanding membership interest of Queen City is owned and held by the Seller, Haid Acquisitions LLC, an Ohio limited liability company, of which Aaron M. Haid, an individual and resident of the state of Ohio (“Mr. Haid”), is the sole member. Mr. Haid resides at 1242 Garden Circle, Wyoming, OH 45215. Neither the Seller nor Mr. Haid has any direct or indirect ownership interest in any other interstate passenger motor carrier.

F. Summary Table of National Express and the National Express Affiliated Carriers. Attached hereto as Schedule A is a summary table setting forth the USDOT Numbers, FMCSA Docket Numbers, and USDOT Safety Ratings, as applicable, of National Express and the National Express Affiliated Carriers.

II. Description of the Contemplated Transaction.

The event triggering STB jurisdiction is the acquisition of all of the outstanding membership interest in Queen City by National Express, the effect of which will be to place Queen City under the control of National Express. By means of the Contemplated Transaction, National Express will acquire direct 100% control of Queen City through the membership acquisition. As such, STB’s jurisdiction is invoked pursuant to 49 U.S.C. § 14303(a)(5), as the Contemplated Transaction involves “acquisition of control of a carrier [*i.e.*,

Queen City] by a person that is not a carrier but that controls any number of carriers [*i.e.*, National Express].” We note that 49 U.S.C. § 14303(f) states “a carrier or a corporation participating in or resulting from a transaction approved by the Board under this Section...may carry out the transaction, own and operate property, and exercise control or franchises acquired through the transaction without the approval of a State authority.” Thus, the granting of this application by the Board will avoid the need for state or local approval.

III. Federally Regulated Carrier Affiliates.

Other than the National Express Affiliated Carriers and Queen City described above, there are no other affiliated carriers with regulated interstate operations involved in this application.

IV. Jurisdictional Statement – Revenues.

The STB has jurisdiction over this matter under 49 U.S.C. § 14303(g), because the annual aggregate gross operating revenues of the National Express Affiliated Carriers and Queen City exceed \$2 million during the 12-month period immediately preceding the filing of this application.

V. Environmental Impact.

Approval of this application and consummation of the Contemplated Transaction will not have a significant effect on the quality of the human environment and the conservation of energy resources.

VI. Public Interest Considerations.

A. Adequacy of Transportation Services. The Contemplated Transaction will not have a material, detrimental impact on the adequacy of transportation services available for the public. National Express anticipates that services to the public will be improved. For at least the foreseeable future, the services currently provided by Queen City will continue to be provided by Queen City under the same names used to provide such services prior to

the Contemplated Transaction. Queen City will continue to operate, but going forward, will be operating within the National Express corporate family, an organization already thoroughly experienced in passenger transportation operations.

The addition of Queen City to the carriers held by National Express is consistent with the practices within the passenger motor carrier industry of strong, well-managed transportation organizations adapting their corporate structure to operate several different passenger carriers within the same market, but in different geographic areas. As part of the Contemplated Transaction, National Express is bringing under its control Queen City, which is experienced in some of the same market segments already served by some of the National Express Affiliated Carriers. These market segments have their own service characteristics, and the Contemplated Transaction is expected to result in operating efficiencies and cost savings derived from economies of scale, all of which will help to ensure the provision of adequate service to the public.

Bringing Queen City within the National Express family will serve to enhance the viability of the overall National Express organization and the operations of the National Express Affiliated Carriers. The continued viability of all the carriers assures the continued availability of adequate passenger transportation service for the public.

B. Fixed Charges. There are no significant fixed charges associated with the Contemplated Transaction.

C. Employee Interests. It is the current intention of National Express to continue the existing operations of Queen City and as such the Contemplated Transaction will not have substantial impacts on employees or labor conditions. National Express does not anticipate a measurable reduction in force or changes in compensation levels and/or benefits, although staffing redundancies could potentially result in limited downsizing of back-office and/or managerial level personnel.

D. Competition and the Public Interest. The law requires the Board to assess competition in the market and the impact on the public interest as affected by approving an arrangement in which multiple passenger carriers are under control of a single entity. In making its analysis, the Board (as did its predecessor, the Interstate Commerce Commission) has consistently found that proposed “common control” arrangements (however accomplished) are inherently not anti-competitive. In large measure, that conclusion rests on the finding that as a result of ease of entry into the market, the passenger motor carrier industry is characterized by healthy intra-modal competition as well as healthy competition between bus service, on the one hand, and, on the other, other modes of transportation, all of which constitute the “relevant market.” *GLI Acquisition Co – Purchase – Trailways Lines, Inc.*, 4 I.C.C. 2d 591, 598-602 (1988).

On the rare occasions in recent years in which the STB has been called upon to assess the “public interest” and “competition” issues inherent in the practice of the acquisition of ownership of numerous bus carriers by non-carrier entities, it has consistently approved applications of this sort, finding that acquisitions that contemplate the single control of numerous passenger carriers can result in better overall service for the public without any lessening of the benefits of healthy competition. Its decisions include *Stagecoach Group PLC and Coach USA, Inc., et al., - Acquisition of Control – New Today Bus Corp., et al.*, STB Docket No. MC-F-21030 (served January 30, 2009), *Stagecoach Group PLC and Coach USA, Inc., et al., - Acquisition of Control – Eastern Travel and Tour, Inc.*, STB Docket No. MC-21029 (served September 18, 2008); *Delivery Acquisition, Inc. – Purchase – Transportation Management Systems, LLC and East West Resort Transportation, LLC*, STB Docket No. MC-F-21028, (served July 18, 2008); and *Stagecoach Group PLC and Coach USA, Inc., et al., - Control Megabus Northeast LLC*, STB Docket No. MC-F-21027 (served April 11, 2008).

Queen City is a relatively small carrier in the overall markets in which it competes: unregulated metropolitan school bus operations and regulated motor coach passenger charter services. Queen City competes directly with First Student, Inc., and other school bus service providers with respect to its school bus operations in the Cincinnati metropolitan area. There are a number of motor coach passenger charter service providers in the Cincinnati metropolitan area resulting in a very competitive market for such providers. The motor coach passenger charter services offered by Queen City are geographically dispersed from those of the National Express Affiliated Carriers, and there is limited overlap in service areas and/or in customer bases among the National Express Affiliated Carriers and Queen City. In light of the foregoing, it is clear that the impact of the Contemplated Transaction on the regulated motor carrier industry will be minimal at most and that neither competition nor the public interest will be adversely affected.

Lastly, Board approval of this application will allow the acquisition of control of Queen City to be accomplished without the approval of state regulatory authorities, thus relieving the parties of the Contemplated Transaction from potentially burdensome regulatory requirements. *See* 49 U.S.C. § 14303(f).¹ As set forth above, Queen City possesses intrastate authorities in the states of Indiana, Kentucky and Ohio, which authorities that are necessary in the continued operation of Queen City under the control of National Express.

¹ 49 U.S.C. § 14303(f) provides that “A carrier or corporation participating in or resulting from a transaction approved by the [Surface Transportation] Board under this section, or exempted by the Board from the application of this section pursuant to section 13541, may carry out the transaction, own and operate property, and exercise control or franchises acquired through the transaction without the approval of a State authority. A carrier, corporation, or person participating in the approved or exempted transaction is exempt from the antitrust laws and from all other law, including State and municipal law, as necessary to let that person carry out the transaction, hold, maintain, and operate property, and exercise control or franchises acquired through the transaction.”

VII. Insurance Certification.

Each of the motor carriers that is subject to FMCSA insurance requirements and is involved in this application now satisfies and after Board approval will continue to satisfy FMCSA requirements relating to adequate security for the public. 49 U.S.C. § 13906. All of the FMCSA approved carriers have a minimum of \$5 million bodily injury and property damage insurance coverage on file with the FMCSA.

VIII. Mexico Certification.

National Express certifies that neither it nor any of the National Express Affiliated Carriers is domiciled in Mexico, nor are any of such entities owned or controlled by persons of that country. Queen City certifies that it is neither domiciled in Mexico, nor owned or controlled by persons of that country.

IX. No Individuals Holding Operating Authority

Pursuant to 49 C.F.R. § 1182.2(a)(11), the Contemplated Transaction does not involve the transfer of operating authority to an individual who will hold the authority in his or her name.

X. Exempt Transaction under Federal Premerger Notification Laws

Pursuant to 15 U.S.C. § 18a(c)(6), this application and copies of all other information and documentary material filed with the Board in connection with the Contemplated Transaction are being filed with the United States Federal Trade Commission and the Antitrust Division of the United States Department of Justice in keeping with the Contemplated Transaction's status under the regulated-industry provisions of that statute.

XI. Conclusion.

As provided by 49 C.F.R. Part 1182 and for the reasons set forth herein, the Board is respectfully requested to approve this application and authorize the Contemplated Transaction and acquisition of control as described herein.

XII. Verification.

The verifications of National Express, and Queen City and the Seller are as follows:

[Remainder of Page Intentionally Blank – Verification and Signature Pages Follow]

A. Verification of National Express. The undersigned verifies under penalty of perjury under the laws of the United States of America, that all information supplied by such person on behalf of and limited to National Express and the National Express Affiliated Carriers in connection with this application is true and correct. Further, the undersigned is qualified and authorized on behalf of National Express to submit this verification and file this application. The undersigned further certifies under penalty of perjury under the laws of the United States, that she knows that willful misrepresentations or omissions of material facts constitute Federal criminal violations punishable under 18 U.S.C. § 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, these misstatements are punishable under 18 U.S.C. § 1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

“National Express”

National Express LLC

Dated: October 13, 2017

By: J. Crawford
Judith A. Crawford
CEO of Transit and Executive Vice
President of Commercial Development

B. Verification of Queen City and the Seller. Each of the undersigned verifies under penalty of perjury under the laws of the United States of America, that all information supplied by such person on behalf of and limited to Queen City and the Seller in connection with this application is true and correct. Further, the undersigned with respect to Queen City is qualified and authorized on behalf of Queen City to submit this verification and authorize the filing of this application. In addition, the undersigned Seller authorizes the filing of this application. Each of the undersigned further certifies under penalty of perjury under the laws of the United States, that he or she knows that willful misrepresentations or omissions of material facts constitute Federal criminal violations punishable under 18 U.S.C. § 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, these misstatements are punishable under 18 U.S.C. § 1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

"Queen City"

Queen City Transportation, LLC

Dated: October 13, 2017

By: Aaron M. Haid
Aaron M. Haid
President

"Seller"

Haid Acquisitions LLC

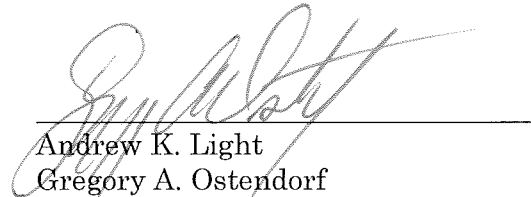
Dated: October 13, 2017

By: Aaron M. Haid
Aaron M. Haid
Sole Member

XI. Applicant National Express's Legal Counsel

National Express LLC
Andrew K. Light
Gregory A. Ostendorf
Scopelitis, Garvin, Light, Hanson & Feary, P.C.
10 W. Market Street, Suite 1400
Indianapolis, IN 46204
(317) 637-1777

Respectfully,

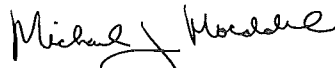


Andrew K. Light
Gregory A. Ostendorf
Counsel for National Express LLC

XII. Applicant Queen City and Seller's Legal Counsel

Queen City Transportation, LLC
Haid Acquisitions LLC
Michael J. Moeddel
Keating Muething & Klekamp PLL
One East Fourth Street
Suite 1400
Cincinnati OH 45202
(513) 639-3962

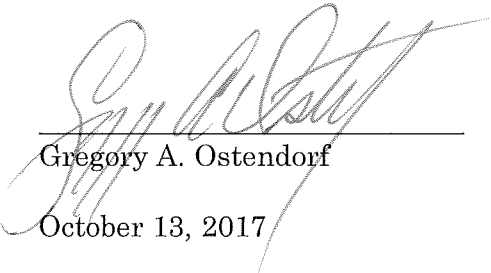
Respectfully,

A handwritten signature in black ink, appearing to read "Michael J. Moeddel", written over a horizontal line.

Michael J. Moeddel
Counsel for Queen City Transportation,
LLC, and Haid Acquisitions LLC

Certificate of Service

I hereby certify that as required by 49 C.F.R. § 1182.3, I have served a copy of the foregoing application by mailing a copy thereof, via U.S. first-class mail on the U.S. Department of Transportation, Chief Licensing and Insurance Division, 1200 New Jersey Avenue, S.E., Washington, DC 20590; and the state regulatory agency for the states in which intrastate operations are affected. I further certify that as required by 15 U.S.C. § 18a(c)(6), I have also served a copy of the foregoing application, and copies of all other information and documentary material filed with the Surface Transportation Board in connection with the Contemplated Transaction, by overnight courier on the United States Federal Trade Commission and the Antitrust Division of the United States Department of Justice.



Gregory A. Ostendorf
October 13, 2017

<u>Schedule A</u>			
<u>Entity Name</u>	<u>USDOT No.</u>	<u>FMCSA Docket No.</u>	<u>USDOT Safety Rating</u>
<u>The Buyer:</u>			
National Express LLC	None	None	None
<u>The National Express Affiliated Carriers:</u>			
Beck Bus Transportation Corp.	277593	MC-143528	Satisfactory
Carrier Management Inc.	1245654	None	None
Diamond Transportation Services, Inc.	1180062	None	Satisfactory
Durham School Services, L.P.	350651	MC-163066	Conditional
MV Student Transportation, Inc.	1049130	MC-148934	Satisfactory
National Express Transit Corporation	2430646	None	None
National Express Transit Services Corporation	2441459	None	None
National Express Transit – Yuma	2532398	960629	Satisfactory
Petermann Ltd.	821384	MC- 364668	Satisfactory
Petermann Northeast LLC	2058860	MC-723926	None
Petermann Northwest LLC	1743473	None	None
Petermann Southwest, LLC	1765359	MC-644996	None

Petermann STSA, LLC	2133951	MC-749360	Satisfactory
The Provider Enterprises, Inc.	1129948	None	None
Rainbow Management Service Inc.	1260083	MC-490015	Satisfactory
Robertson Transit, Inc.	260681	MC-176053 (Inactive)	Satisfactory
Safeway Training and Transportation Services, Inc.	1203741	MC-522039 (Inactive)	None
Septran, Inc.	924933	MC-795208 (Inactive)	None
Smith Bus Service, Inc.	580046	None	None
Suburban Paratransit Service, Inc.	None	None	None
Trans Express Inc.	530250	MC-187819	Satisfactory
Trinity, Inc.	822553	MC-364003	None
Trinity Cars, Inc.	1724827 (Inactive)	MC-632139 (Inactive)	None
Trinity Coach	1419991	MC-537169 (Inactive)	Satisfactory
Trinity Student Delivery, LLC	2424638	MC-836335	None
White Plains Bus Company, Inc.	25675	MC-160624	Satisfactory