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March 15, 2002

Office of the Secretary

MAR 18 2002

Part of
Public Record

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W., Room 711
Washington, DC 20423-0001

**Re: Finance Docket No. MC-F-20989, Stagecoach Group PLC and Coach
USA, Inc. -- Control -- Coach USA Indiana, Inc., et al.**

Dear Secretary Williams:

On February 21, 2002, Stagecoach Group PLC and Coach USA, Inc. submitted an application to control two entities that, at the time, were applicants for authority to become motor common carriers of passengers. Those entities are Coach USA Indiana, Inc. and California Acquisition, Inc. This is to report that the Federal Motor Carrier Safety Administration has now granted motor common carrier authority to both of these entities, authorizing them to transport passengers in interstate and intrastate commerce. Copies of the operating certificates issued to these two entities by FMCSA are attached.

The applicants for control indicated in their February 21 Application that at the time Coach USA Indiana, Inc. and California Acquisition, Inc. acquired motor common carrier authority, the stock of those two entities would be placed in independent voting trusts pending final Board action on the Application. Those trusts have now been established and the stock of the two new motor carriers has been placed into those voting trust. Ten copies of the executed Trust Agreements are attached to this letter.

Respectfully,

David H. Coburn
Attorney for Applicants

DHC:dj
Attachment

cc: U.S. Department of Justice
Federal Trade Commission
Indiana Department of Revenue
California Public Utilities Commission

WASHINGTON

PHOENIX

LOS ANGELES

LONDON



VOTING TRUST AGREEMENT

THIS VOTING TRUST AGREEMENT, dated as of February 27, 2002 is by and between Coach USA, Inc. ("Coach"), a Delaware corporation having its offices at One Riverway, Suite 500, Houston, TX 77056; Coach USA Indiana, Inc., an Indiana corporation that will have its offices at 3025 N. Home Street, Mishiwaka, IN 46408 (the "Company") and David Mee (the "Trustee"), having his office at 4929 Linden, Bellaire, Texas 77401.

WITNESSETH:

WHEREAS, Coach, a non-carrier, owns all of the issued and outstanding common stock of the Company;

WHEREAS, the Company is a newly formed corporation that is expected to receive authorization to become a motor common carrier subject to regulation by the Federal Motor Carrier Safety Administration ("FMCSA") and the Surface Transportation Board ("STB") under 49 U.S.C. § 13501 et seq.;

WHEREAS, Coach is wholly-owned through four non-carrier intermediary subsidiaries (SCUSI Limited; SCOTO Limited; Stagecoach General Partnership; and SCH US Holdings) by Stagecoach Group plc, a non-carrier corporation organized under the laws of Scotland, which directly or indirectly owns each of these four intermediary subsidiaries (the intermediary subsidiaries and Stagecoach shall collectively be referred to as "Stagecoach");

WHEREAS, Coach and Stagecoach each control more than one other motor carrier of passengers subject to regulation by the Federal Motor Carrier Safety Administration and the STB;

WHEREAS, the parties hereto wish to enter into this Voting Trust Agreement (the "Trust Agreement") for the purpose of placing the voting power of the Company's common stock, which

is the only outstanding capital stock of the Company, under the management of the Trustee in accordance with 49 C.F.R. Part 1013, free from the control or influence of Coach, the initial registered holder of Trust Certificates (as hereinafter defined), so that control of the Company may be transferred without violating the provisions of §14303 of Title 49 of the United States Code ("Title 49"); and

WHEREAS, the Trustee is willing to serve as voting trustee pursuant to the terms of this Trust Agreement and the rules of the STB;

NOW, THEREFORE, the parties hereto agree as follows:

1. The Company irrevocably appoints David Mee as the Trustee hereunder, and David Mee accepts the appointment and agrees to act as the Trustee under this Trust Agreement.

2. This Trust Agreement shall become effective when executed by the Company, Coach and the Trustee. Coach and the Company agree that, prior to the date on which the Company acquires the status of a carrier subject to federal regulation, they will arrange for the deposit of all of the Company's stock with the Trustee. The Trustee shall, upon receipt of such stock of the Company, issue to Coach Voting Trust Certificates substantially in the form attached hereto as Exhibit A (the "Trust Certificates") with the blanks appropriately filled in. All of the shares of the Company at any time delivered to the Trustee hereunder are called the "Trust Stock."

3. Upon deposit of the Company's common stock with the Trustee, this Trust Agreement shall be irrevocable during its term by Coach and shall terminate only in accordance with the provisions of Paragraph 7 hereof.

4. The Trustee shall have no right, power or authority (or any duty or obligation) to control or become involved in the day-to-day management of the Company. The Trustee shall be entitled and it shall be its duty, in the Trustee's unrestricted discretion, to exercise any and all voting rights in respect of the Trust Stock either in person or by proxy, as hereinafter provided, unless

otherwise directed by a court of competent jurisdiction. Subject to the provisions of this Paragraph 4, the Trustee shall consult with the management of the Company before exercising such voting rights and powers. The Trustee shall not exercise the voting powers of the Trust Agreement in any way so as to create any dependence or intercorporate relationship between (i) Stagecoach, Coach (or any future registered holder of Trust Certificates) and any of their affiliates, on the one hand, and (ii) the Company and its affiliates, on the other hand (the term "affiliate" or "affiliates," wherever used in this Trust Agreement, shall have the meaning specified in §11343(c) of Title 49 as of December 31, 1995, or any applicable successor law). The Trustee shall not, without the consent of the STB, vote the Trust Stock to elect any officer, director, nominee or representative of Stagecoach, Coach (or any future registered holder of Trust Certificates) or any of its affiliates as an officer or director of the Company. Notwithstanding the foregoing provisions of this Paragraph 4, however, the registered holder of any Trust Certificate may at any time, with the prior approval of the STB, instruct the Trustee in writing to vote the Trust Stock represented by such Trust Certificates in any manner, in which case the Trustee shall vote such shares in accordance with such instructions. The Trust Certificates may be pledged as collateral for indebtedness, but such pledge shall be subject to the terms of this Trust Agreement. Nothing in this Paragraph shall in any way be construed so as to interfere with the voting rights or independence of the Trustee under this Trust Agreement.

5. All Trust Certificates shall be transferable on the books of the Trustee by the registered holder upon the surrender thereof properly assigned, in accordance with rules from time to time established for such purpose by the Trustee. Until so transferred, the Trustee may treat the registered holder of Trust Certificates as the owner of such certificates for all purposes. Each transferee of a Trust Certificate issued hereunder shall, by acceptance thereof, assent to and become a party to this Trust Agreement and shall assume all attendant rights and obligations hereunder.

6. Pending the termination of this Trust Agreement as hereinafter provided, the Trustee shall, immediately following the receipt of any cash dividend or other monetary distribution declared and paid upon the Trust Stock, pay the same to or as directed by the registered holder of Trust Certificates. The Trustee shall receive and hold dividends payable in stock upon the same terms and conditions as the Trust Stock and shall issue Trust Certificates representing such new or additional shares to the registered respective interests.

7. (a) In the event that (i) Title 49 of the United States Code or other controlling law shall allow Stagecoach, Coach or their affiliates to acquire control of the Company without obtaining STB approval, (ii) the acquisition of control of the Company by Stagecoach, Coach or any of their affiliates is approved under 49 U.S.C. or any applicable successor law, or (iii) the STB, by final order, shall (A) approve the ownership by Stagecoach, Coach or their affiliates of the voting rights to the Trust Stock; (B) determine that the STB is without jurisdiction to approve or disapprove the ownership of such rights; or (C) otherwise approve or exempt the control of the Company by Stagecoach, Coach or their affiliates, then immediately upon the delivery of a copy of such order of the STB with respect thereto, or any opinion of counsel reasonably satisfactory to the Trustee that no order of the STB is required, the Trustee shall transfer to or upon the order of the registered holder of Trust Certificates hereunder the Trustee's right, title and interest in and to all of the Trust Stock and upon such transfer this Trust Agreement shall cease and come to an end.

(b) In the event that the STB should deny any application or petition by Stagecoach, Coach or their affiliates to acquire and/or exercise control over the Company, and such order becomes final after judicial review or failure to appeal, the Trustee shall sell the Trust Stock for cash or equivalents to one or more eligible purchasers in such manner and for such price as the Trustee in his sole discretion shall deem reasonable, and deliver the proceeds to Coach. (An "eligible purchaser" hereunder shall be a person or entity that is not affiliated with Stagecoach, Coach, the

Company, or any of their affiliates, that is not precluded under applicable regulatory law from purchasing the Trust Stock and that achieves any approvals to own the Trust Stock that may be required from any court or other regulatory body with applicable jurisdiction.) At all times until this Trust is terminated, and pending STB disposition of any application or petition that may be required to allow Stagecoach, Coach or an eligible purchaser to assume control of the Trust Stock, the Trustee shall continue to perform his duties under this Trust Agreement.

(c) Unless sooner terminated pursuant to any other provision herein contained, this Trust Agreement shall terminate two years following the date of its execution so long as no violation of Title 49 or the rules and regulations of the STB promulgated thereunder shall result from such termination; provided, however, that the term of this Trust Agreement may be extended by the parties hereto. Notwithstanding the foregoing, no provision of this Trust Agreement shall create a term for the Trust Agreement that is longer than that permitted under applicable state law. Subject to subparagraphs (a) and (b) of this Paragraph 7, all Trust Stock and any other property held by the Trustee hereunder upon such termination shall be distributed to or upon the order of the registered holder(s) of Trust Certificates hereunder as then known to the Trustee. The Trustee may, in its reasonable discretion, require the surrender of the Trust Certificates hereunder before the release or transfer of the interests evidenced thereby.

(d) The Trustee shall promptly inform the STB of any transfer or disposition of Trust Stock pursuant to this Paragraph 7.

(e) Within sixty (60) days of the termination of this Trust Agreement, the Trustee shall render a final accounting to the registered holder(s) of Trust Certificates and shall distribute any funds or other assets held by the Trustee to the parties entitled thereto.

(f) The Trustee agrees to furnish such financial and other information in the Trustee's possession concerning the Company as may be requested by Stagecoach or Coach.

8. Neither the Trustee nor any affiliate of the Trustee may have (i) any officer or member of the board of directors in common with the officers or board of directors of the Company, Stagecoach, Coach or any registered holder of Trust Certificates or any of their affiliates, or (ii) any business arrangements with the Company, Stagecoach, Coach or any registered holder of Trust Certificates or any of their affiliates (other than the dealings pertaining to the establishment and carrying out of this Trust Agreement and loans in the course of business) that might be construed as creating an indicium of control by the Company, Stagecoach, Coach, the registered holder(s) of Trust Certificates, or any affiliate thereof. The investment by the Trustee in voting securities of the Company, Stagecoach, Coach or their affiliates not in excess of five percent of their outstanding voting securities shall not be considered a proscribed business arrangement or dealing, provided that such investment does not permit the Trustee in any way to control or direct the affairs of the Company, Stagecoach, Coach or their affiliates.

9. The Trustee shall be entitled to receive reasonable and customary compensation for all services rendered hereunder as Trustee, including all reasonable fees and expenses of counsel, taxes or other expenses incurred hereunder by the Trustee, which compensation and expense shall be promptly paid by the Company or, after the deposit of the Trust Stock with the Trustee, by Coach. The Trustee shall have a lien on the Trust Stock as security for payment of its compensation for services performed by the Trustee and for expenses incurred by the Trustee pursuant to this Trust Agreement.

10. The Trustee may at any time or from time to time appoint an agent or agents and may delegate to such agent or agents the performance of any administrative duty of the Trustee hereunder.

11. The Trustee shall not be answerable for the default or misconduct of any agent or attorney appointed by the Trustee in pursuance hereof. The duties and responsibilities of the Trustee shall be limited to those expressly set forth in this Trust Agreement. The Trustee shall not be

responsible for the sufficiency or accuracy of the form, execution, validity or genuineness of the Trust Stock, or of any documents, or of any endorsements thereon, or for any lack of endorsement thereof, or for any description therein, nor shall the Trustee be responsible or liable in any respect on account of the identity, authority, or rights of the persons executing or delivering or purporting to execute or deliver any such Trust Stock or documents or endorsements on this Trust Agreement, except for the execution and delivery of this Trust Agreement by the Trustee. Each registered holder of Trust Certificates agrees that they will at all times protect, indemnify and save harmless the Trustee from any loss, cost, or expense of any kind or character whatsoever incurred by the Trustee in connection with this Trust Agreement, including losses, costs and expenses arising from the negligence of the Trustee but excluding losses, costs and expenses, if any, arising out of or resulting from the gross negligence or willful misconduct of the Trustee, and will at all times undertake, assume full responsibility for, and pay all costs and expenses of any suit or litigation of any character, including any proceedings before the STB, with respect to the Trust Stock or this Trust Agreement, and Coach shall pay all costs and expenses, including reasonable counsel fees, to which the Trustee may be subject by reason thereof. The Trustee may consult with counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or omitted or suffered by the Trustee hereunder in good faith and in accordance with such opinion. The indemnification of the Trustee pursuant to this Paragraph 11 is and shall be secured by a lien on the Trust Stock in favor of and for the benefit of the Trustee.

12. To the extent requested to do so by Coach, the Trustee shall promptly furnish to Coach full information with respect to (i) all property theretofore delivered to it as Trustee hereunder, (ii) all property then held by it as Trustee hereunder, and (iii) all action theretofore taken by it as Trustee hereunder.

13. In the event the Trustee has any doubt as to the course of action it should take under this Trust Agreement, the Trustee is hereby authorized to petition any state or federal court of competent jurisdiction for instructions or to interplead the Trust Stock into such court. The parties agree to the jurisdiction of either of said courts over their persons as well as the Trust Stock, waive personal service of process, and agree that service of process by certified or registered mail, return receipt requested, to the address of each party set forth above shall constitute adequate service. The parties hereby agree to indemnify and hold the Trustee harmless from any liability or loss occasioned thereby and to pay any and all of its cost, expenses, and attorneys' fees incurred in any such action and agree that, on such petition or interpleader action, the Trustee will be relieved of further liability.

14. The Trustee, or any trustee hereafter appointed, may at any time resign by giving no less than fifteen (15) days' written notice of resignation to Coach and the STB. Upon receiving such notice of resignation or in the event of death or incapacity of the Trustee, a majority in interest of all registered holders of Trust Certificates shall, within fifteen (15) days of receipt of such notice, appoint a successor trustee who shall satisfy the requirements of Paragraph 8 hereof. If no successor trustee shall have been appointed and shall have accepted appointment within forty-five (45) days after such notice of resignation, the resigning Trustee may petition any authority or court of competent jurisdiction for the appointment of a successor trustee. Upon written assumption by the successor trustee of the Trustee's powers and duties hereunder, a copy of the assumption shall be delivered by the Trustee to the STB and Coach, whereupon the previous Trustee shall be discharged of its powers vested herewith. In the event of any material violation by the Trustee of the terms and conditions of this Trust Agreement, the Trustee shall become disqualified from acting as trustee hereunder as soon as a successor trustee shall have been selected in the manner provided by this paragraph.

15. This Trust Agreement may from time to time be modified or amended by an agreement executed by the Trustee and Coach (i) pursuant to an order of the STB, (ii) with the prior approval of the STB, (iii) in order to comply with any order of the STB, or (iv) upon receipt of an opinion of counsel satisfactory to the Trustee and Coach that an order of the STB approving such modification or amendment is not required.

16. The provisions of this Trust Agreement and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of the State of Texas, except that to the extent any provision hereof may be found inconsistent with Title 49 or regulations promulgated thereunder by the STB, the statute and regulations shall control and such provision shall be given effect only to the extent permitted by Title 49 and such regulations. In the event that the STB shall at any time hereafter by final order find that compliance with law requires any other or different action by the Trustee than is provided herein, the Trustee shall act in accordance with such final order instead of the provisions of this Trust Agreement.

17. This Trust Agreement may be executed in counterparts, each of which shall constitute an original.

18. A copy of this Trust Agreement shall be filed by Coach with the STB and any amendments or modifications thereto shall be filed by the Trustee with the STB.

19. This Trust Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto, including, without limitation, the successors to the Company, Stagecoach, Coach, by merger, consolidation or otherwise.

20. This Trust Agreement shall not be severable or divisible in any way but it is specifically agreed that, if any provision should be invalid, the invalidity shall not affect the validity of the remainder of this Trust Agreement.

IN WITNESS WHEREOF, Coach and the Trustee have executed this Trust Agreement as
of the day and year first above written.

Attest:

Shayne Roseceno

TRUSTEE

David Mee
David Mee

Attest:

Shayne Roseceno

COACH USA INDIANA, INC.:

James Bell

Attest:

Shayne Roseceno

COACH USA, INC.

By: Robert E. Longo
Name: Robert E. Longo
Title: Senior Vice President and
General Counsel

EXHIBIT A

VOTING TRUST CERTIFICATE

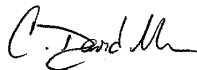
THIS IS TO CERTIFY THAT Coach USA, Inc. is entitled to receive a certificate representing 1 share of Coach USA Indiana, Inc., an Indiana corporation (the "Company"), on the termination of that certain Voting Trust Agreement (the "Voting Trust") dated as of February 27, 2002 among the Company, Coach USA, Inc. and Trustee. This voting trust certificate ("Certificate") is issued pursuant to, and the rights of the holder hereof are subject to and limited by, the terms of the Voting Trust. The Voting Trust, unless earlier terminated or extended pursuant to the terms thereof, will terminate two years from the date of this Certificate, provided that no violation of Title 49 of the United States Code or the rules and regulations of the Surface Transportation Board promulgated thereunder will result from such termination.

The registered holder of this Certificate shall be entitled to the benefits of the Voting Trust, including the right to any cash dividends paid by the Company with respect to the number of the shares represented by this Certificate.

This Certificate shall be transferable only on the books of the undersigned Trustee or any successor Trustee on surrender of this Certificate by the registered holder in person or by attorney duly authorized in accordance with the provisions of the Voting Trust, and until so transferred, the Trustee may treat the registered holder as the owner of the Certificate for all purposes whatsoever, unaffected by any notice to the contrary.

By accepting this Certificate, the holder hereof assents to all the provisions of, and becomes a party to, the Voting Trust.

IN WITNESS WHEREOF, the Trustee has executed this Certificate this 27th day of February, 2002.



David Mee