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**ORIGINAL**

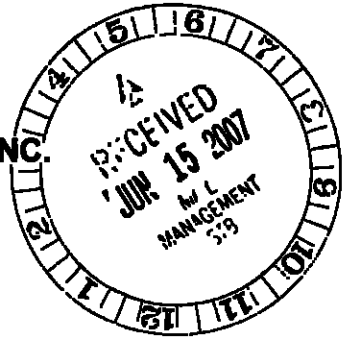
BEFORE THE  
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. MC-F 21022 TA

CALLLEN HOTARD - ACQUISITION OF - HOTARD COACHES, INC.

EXPEDITED HANDING REQUESTED

**REQUEST FOR INTERIM APPROVAL**



**FEE RECEIVED**

JUN 15 2007

**SURFACE  
TRANSPORTATION BOARD**

Pursuant to 49 U S C § 14303(i) and the Board's rules at 49 C F R §1182.7,

Applicant Callen Hotard ("Buyer") hereby requests interim approval for management control of Hotard Coaches, Inc ("Coaches") pending approval of the application to acquire the stock of Coaches from Greyhound Lines, Inc ("Greyhound")<sup>1</sup> Such interim approval is warranted because, as described further below, failure to grant such approval may result in the termination of operations by Coaches resulting in the loss of value of the company, the loss of jobs by Coaches' current employees, and the discontinuance of service to the public. The parties respectfully request that the Board act on this Request for Interim Approval by no later than June 25, 2007 as they are planning on closing the Transaction on or about June 29, 2007. As stated in the verified application, Greyhound desires to have its ownership and the expenses involved in the operation of Coaches removed from its books by the end of the second quarter of 2007. The only way of accomplishing this goal, other than by terminating the operations of Coaches, is to transfer ownership of the shares of Coaches to a Board

<sup>1</sup> At the time of this filing, Coaches is owned by Laidlaw Transportation Holdings, Inc ("LTHI") which obtained control of Coaches in MC-F-20959, *Laidlaw Inc and Laidlaw Transportation, Inc - Acquisition and Control - Hotard Coaches, Inc*, and *Coastliner, D/B/A Mississippi Coast Limosine, Inc*, Feb 3, 2000 and MC-F-20998, *Laidlaw Inc - Intra-Corporate Fairly Transaction Exemption*, Feb 21, 2003. In a transaction simultaneously with closing, LTHI will dividend the Coaches' stock to its subsidiary, Greyhound.

<sup>2</sup> In addition, Applicants have supplied the Board with a draft Federal Register Notice

Office of Proceedings

JUN 15 2007

Part of  
Public Record

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**FILED**

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approved Voting Trust pending the Board's approval of Hotard's stock acquisition of Coaches and the granting of interim management control of Coaches to Hotard

No closing of the Transaction will occur until after a Voting Trust Agreement has been approved by the Secretary of the Board and signed by Greyhound and the Trustee

By the Verified Application ("Application") accompanying this Request for Interim Approval, Callen Hotard seeks authority to purchase a controlling interest in Coaches pursuant to a stock purchase agreement between these parties ("Transaction") A grant of interim approval will allow Hotard to obtain management control of Coaches This will enable Coaches to continue to provide bus service pending final action by the Board on Hotard's Application, which we understand will not come before the end of August at the earliest, assuming no adverse comments are filed

The circumstances warranting grant of this Request for Interim Approval are met here because, as noted, failure to grant such an interim approval may result in the destruction or injury of Coaches and the termination of Coaches' ability to provide adequate and continuous service to the public Specifically, Coaches has been losing substantial sums of money in its operations for an extended period of time These losses have reached the point where Coaches' owner at the time of closing of the Transaction, Greyhound, has determined that it no longer can afford to absorb the losses from those operations - - raising the real risk that Coaches would be forced to cease or at least severely curtail operations The parties have thus agreed to a prompt sale and purchase of Coaches in order that operations will not be discontinued In that regard, Hotard has indicated that he will continue the operation of Coaches to provide

service of the type now being offered by Coaches, provided that the Transaction negotiated with Greyhound is approved by the Board on an interim basis, and that there is no cessation in Coaches' business operations pending Board consideration of the Transaction. Given Coaches' substantial losses, interim approval will ensure that there will be no such cessation of operations and that Coaches will retain its value and will continue to serve the public during the regulatory proceeding. Hotard is purchasing a controlling interest in the stock of Coaches and Coaches will continue as an independently operated company.

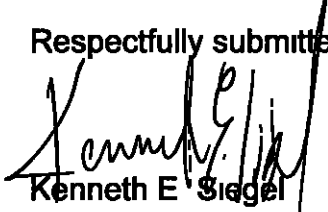
Finally, while this request for interim approval is being made with relatively short notice, business reasons have dictated the timing of this request. Hotard and Greyhound only reached final agreement on the terms of the proposed stock purchase on June 7, 2007, and this Request and accompanying Application have been filed as soon as possible thereafter. Moreover, as noted above, if interim approval is not granted quickly, Coaches may have to completely cease operations, which will result in great injury to the traveling public in Mississippi and Louisiana as well as to current Coaches' employees who will lose their jobs.

The Board has granted interim approval applications on very short notice in recent years and in circumstances similar to those described here. See *Holland America Line – Westour, Inc - Control - Westours Motor Coaches, Inc , Evergreen Trails, Inc , Westmark Hotels of Canada Ltd , and Horizon Coach Lines Ltd* , STB Docket No MC-F20988 TA (served Feb 1, 2002) (granting application for interim approval seven days following filing where destruction of, or injury to, assets was threatened), *Northwest Motor Coach L L C - Control - Evergreen Stage Line, Inc and*

*Evergreen Bus Co , Inc ,* STB Docket No MC-F 20956 (served Oct 18, 1999) (application for interim approval granted within two weeks of filing where current owners were unwilling to make further investment in carriers), *Colorado Mountain Express, Inc and Airport Shuttle Colorado, Inc d/b/a Aspen Limousine Service, Inc – Consolidation and Merger (Interim Approval) – Colorado Mountain Express*, STB Docket No MC-F 20902 TA (served Nov 12, 1996) (granting interim approval application filed on Nov 1, 1996 in circumstances where continued operating losses threatened destruction or injury to property of acquired carrier )

For the above reasons, the parties request that interim approval for the Transaction be granted by June 25, 2007 in order to preserve the viability of Coaches and to meet the Applicants' business needs to close the transaction on or about June 29, 2007

Respectfully submitted,



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Attorney for Callen Hotard

June 15, 2007

## CERTIFICATE OF SERVICE

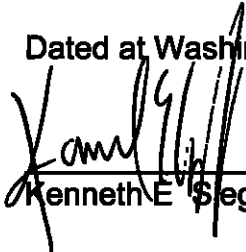
I certify that I have this 15th day of June 2007 served a copy of the foregoing Request for Interim Approval by mailing a copy thereof, via first class Mail, postage prepaid on

Chief, Lic & Ins Division  
Federal Motor Carrier Safety Administration  
U S Department of Transportation  
1200 New Jersey Ave S E  
Washington, D C 20590

Willey Huff  
Office of Enforcement  
MDOT  
P O Box 1850  
Jackson, Mississippi 39215

Public Service Commision  
P O Box 91154  
Baton Rouge, Louisiana 70821

Dated at Washington, D C , this 15<sup>th</sup> day of June, 2007

  
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Kenneth E Siegel, Esq