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WASHINGTON, D. C. 20036

D.I.D.# 0102/01001



ENTERED
Office of Proceedings

DEC 13 2002

Part of
Public Record

December 13, 2002

HAND DELIVERED

Honorable Vernon Williams, Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423

FEE RECEIVED

DEC 13 2002

SURFACE
TRANSPORTATION BOARD

206841

Re: Peter Pan Bus Lines Trust
- Purchase and Acquisition of Control -
Arrow Line Acquisition, LLC, *et al.*
Surface Transportation Board
Docket MC-F-20995

FILED

DEC 13 2002

SURFACE
TRANSPORTATION BOARD

EXPEDITIOUS HANDLING REQUESTED

Dear Secretary Williams:

There are transmitted herewith the original and 10 copies of an application pursuant to 49 U.S.C. §14303(a) for approval of a transaction involving the acquisition and acquisition of control of multiple motor passenger carriers, all as more fully described in the application.

THE PARTIES RESPECTFULLY REQUEST THE BOARD'S EXPEDITIOUS HANDLING OF THIS APPLICATION, AS SET OUT AT PAGE 2 OF THE APPLICATION.

Attached is a check payable to "Surface Transportation Board" in the amount of \$1,500 as the filing fee for this application.

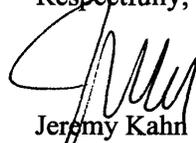
Also attached is a copy of a proposed *Federal Register* notice describing the transaction. I have also attached a floppy disk with the proposed *Federal Register* notice included in WordPerfect format.

Finally, I have attached a copy of this letter and ask that you stamp it to acknowledge receipt of this filing.

Honorable Vernon Williams, Secretary
December 13, 2002
Page 2

Should you require anything further, your request to the undersigned, counsel for the acquiring carriers, or David Coburn, Esq. counsel for the selling carriers, shall receive prompt attention.

Respectfully,



Jeremy Kahn
Counsel for Acquiring Entities

JK:hs

Enc.

CC: David Coburn, Esq.
Mr. Brian Stefano
Parties as Identified in Application's Certificate of Service

DID# 0102101001

EXPEDITED ACTION REQUESTED

BEFORE THE
SURFACE TRANSPORTATION BOARD

IN THE MATTER OF

PETER PAN BUS LINES TRUST

-- PURCHASE AND ACQUISITION OF CONTROL --

ARROW LINE ACQUISITION, LLC
BONANZA ACQUISITION, LLC
MAINE LINE, LLC
PAWTUXET VALLEY, LLC
PETER PAN BOSTON, LLC
and
PETER PAN BUS LINES, INC.



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TRANSPORTATION BOARD

STB DOCKET NO. MC-F-20995

APPLICATION UNDER 49 U.S.C. § 14303(a)
FOR APPROVAL OF THE PURCHASE
BY FIVE COMPANIES OF THE PROPERTY
OF FIVE MOTOR PASSENGER CARRIERS,
AND ACQUISITION OF CONTROL BY A BUSINESS TRUST OF THOSE
COMPANIES AND ONE OTHER MOTOR PASSENGER CARRIER

COME NOW, the parties named in this application and respectfully submit this, their Application under 49 U.S.C. §14303(a) and STB Regulations at 49 CFR §1182 for approval of a "transaction," as described herein, the end result of which will be (1) the purchase by five newly created limited liability companies of the properties, including operating authorities, of five Federally regulated motor passenger carriers, and (2) the

acquisition of control by a non-carrier Business Trust of those five newly created entities and an existing Federally regulated motor passenger carrier, all as fully described herein.

REQUEST FOR EXPEDITED BOARD ACTION

Applicants respectfully request the Board to expedite its processing and treatment of this application to the maximum extent feasible, and if at all possible, by publishing a tentative decision in this matter within 15 days of this application's filing or as soon thereafter as possible. Such expedited processing is within the Board's statutory authority and consistent with its obligation to promote the public interest.

As to statutory authority, 49 U.S.C. §14303(c) provides the Board shall "[w]ithin 30 days after the date on which an application is filed under this section" either publish a notice of the application in the Federal Register or reject any incomplete application. Although publication of notice will begin a 45 day comment period, the Board is not required to wait any particular time before it may publish the notice.

As to public interest, applicants have in the application, *infra*, set forth information addressing the public interest benefits they believe will flow from the application's approval. Applicants ask the Board endeavor to complete its efforts in fewer than 30 days, and if possible within 15 days of filing, so that all the parties will be able to achieve and recognize the substantial business benefits of their transaction as soon as possible, and so the ownership "transition" period, i.e., the time between the agreement to acquire the assets and regulatory approval, be minimized.

Applicants acknowledge that Federal Register publication of any decision

tentatively approving their application will trigger a 45 day comment period, and they understand they may not consummate their transaction until the Board's decision becomes final.

Parties to This Transaction

Identity of the Parties

The parties involved in the proposed transaction are shown in the following diagram and described below:

Peter Pan Bus Lines Trust

now controls registered motor carrier

Peter Pan Bus Lines, Inc.

which owns "acquiring" LLC's

Arrow Line Acquisition, LLC
Bonanza Acquisition, LLC
Maine Line, LLC
Pawtuxet Valley, LLC
Peter Pan Boston, LLC

which in proposed transaction
will acquire assets and business of
currently registered motor carriers

The Arrow Line, Inc.
Bonanza Bus Lines, Inc.
Brunswick Transportation, Inc.,
d/b/a The Maine Line
Mini Coach of Boston, Inc.
Pawtuxet Valley Coach Line, Inc.

(1) PETER PAN BUS LINES TRUST (“PPTRUST”), a non-carrier Massachusetts Business Trust, which upon completion of the transaction and this application’s approval, will control six Federally registered bus companies, namely,

(a) ARROW LINE ACQUISITION, LLC, (“NEW ARROW”), a newly formed Delaware Limited Liability Company, which as a part of the contemplated transaction is to acquire certain assets of the business of an existing motor passenger carrier, including its interstate and intrastate operating authorities, and which also has pending before the Federal Motor Carrier Safety Administration (“FMCSA”)¹ in Docket MC-448294 its own application for limited operating authority;

(b) BONANZA ACQUISITION, LLC, (“NEW BONANZA”), a newly formed Delaware Limited Liability Company, which as a part of the contemplated transaction is to acquire certain assets of the business of an existing motor passenger carrier, including its interstate and intrastate operating authorities, and which also has pending before the FMCSA in Docket MC-448481 its own application for limited operating authority;

(c) MAINE LINE, LLC, (“NEW MAINE”), a newly formed Delaware Limited Liability Company, which as a part of the contemplated transaction is to acquire

¹ In order to assure a smooth transition, and particularly in recognition of the fact STB must authorize the transaction but FMCSA is responsible for issuing operating authority - including the assignment of “MC” and “USDOT” numbers, each of the newly formed limited liability companies has made application to FMCSA for its own limited authority, which applications are now pending. Upon this application’s approval, the parties shall take appropriate steps to have FMCSA reissue the authority to be acquired to the purchasing carriers.

certain assets of the business of an existing motor passenger carrier, including its interstate and intrastate operating authorities, and which also has pending before the FMCSA in Docket MC-448293 its own application for limited operating authority;

(d) PAWTUXET VALLEY, LLC, ("NEW PAWTUXET"), a newly formed Delaware Limited Liability Company, which as a part of the contemplated transaction is to acquire certain assets of the business of an existing motor passenger carrier, including its interstate operating authorities, and which also has pending before the FMCSA in Docket MC-448292 its own application for limited operating authority;

(e) PETER PAN BOSTON, LLC, ("NEW PETER PAN"), a newly formed Delaware Limited Liability Company, which as a part of the contemplated transaction is to acquire certain assets of the business of an existing motor passenger carrier, including its interstate and intrastate operating authorities, and which also has pending before the FMCSA in Docket MC-448482 its own application for limited operating authority; and

(f) PETER PAN BUS LINES, INC. ("PPBL"), a Massachusetts corporation currently engaged in business as a motor passenger carrier in interstate and intrastate commerce, registered with FMCSA and holding authority at MC-61016²; and

(2) five existing Federally regulated motor carriers of passengers, each of which is

² In *Peter A. Picknelly, et al. - Control Exemption - Peter Pan Bus Lines, Inc., et al.*, MC-F-20071, ICC Register May 28, 1992, the ICC approved the common control by Peter A. Picknelly and his two siblings of Peter Pan Bus Lines and Travel Line Bus Lines, Inc. Travel Line later surrendered its operating authority so no current common control relationship exists.

currently commonly controlled by non-carriers Stagecoach Group plc and Coach USA, Inc.³, and whose assets, including interstate and intrastate operating authorities, are to be acquired by the newly formed limited liability companies, namely,

(a) THE ARROW LINE, INC. ("OLD ARROW"), a corporation engaged in business as a motor carrier of passengers in interstate and intrastate commerce, whose interstate authority is registered with FMCSA at MC-1934;

(b) BONANZA BUS LINES, INC. ("OLD BONANZA"), a corporation engaged in business as a motor carrier of passengers in interstate and intrastate commerce, whose interstate authority is registered with FMCSA at MC-13028;

(c) BRUNSWICK TRANSPORTATION COMPANY, INC., d/b/a The Maine Line ("OLD MAINE"), a corporation engaged in business as a motor carrier of passengers in interstate and intrastate commerce, whose interstate authority is registered with FMCSA at MC-109495;

(d) MINI COACH OF BOSTON, INC. ("OLD MINI"), a corporation engaged in business as a motor carrier of passengers in interstate and intrastate commerce, whose interstate authority is registered with FMCSA at MC-231090; and

³ Control of The Arrow Line was authorized in *Coach USA, Inc., et al. - Control and Merger Exemption - Van Nortwick Bros., Inc., et al.*, STB Finance Docket No. 33428 (served November 13, 1997). Control of Bonanza Bus Lines was authorized in *Coach USA, Inc., et al. - Control - Bonanza Bus Lines, Inc.*, STB Docket MC-F-20937 (served November 20, 1998). Control of Brunswick Transportation, Mini-Coach of Boston, and Pawtuxet Valley was authorized in *Coach USA, Inc., et al. - Control - 30 Motor Passenger Carriers*, STB Docket MC-F-20932 (served July 14, 1999). Stagecoach was authorized to control the carriers also controlled by Coach USA in *Stagecoach Holdings plc - Control - Coach USA, Inc., et al.*, STB Docket No. MC-F-20948 (served July 22, 1999).

(e) PAWTUXET VALLEY BUS LINES, INCORPORATED (“OLD PAWTUXET”), a corporation engaged in business as a motor carrier of passengers in interstate commerce, whose authority is registered with FMCSA at MC-115432.

Essential Information About the Parties

PPTRUST, a non-carrier, is a Massachusetts Business Trust, formed under the laws of Massachusetts, whose main office is located at 1776 Main St., Springfield, MA 01102. The only asset of the PPTRUST is the stock of PPBL.

NEW ARROW is a newly formed Delaware Limited Liability Company. Its main office is located at 1776 Main St., Springfield, MA 01102. NEW ARROW will acquire certain properties, including interstate and intrastate operating authority, from OLD ARROW. In addition, NEW ARROW currently has pending an application before FMCSA for certain interstate operating authority in MC-448294.

NEW BONANZA is a newly formed Delaware Limited Liability Company. Its main office is located at 1776 Main St., Springfield, MA 01102. NEW BONANZA will acquire certain properties, including interstate and intrastate operating authority, from OLD BONANZA. In addition, NEW BONANZA currently has pending an application before FMCSA for certain interstate operating authority in MC-448481.

NEW MAINE is a newly formed Delaware Limited Liability Company. Its main office is located at 1776 Main St., Springfield, MA 01102. NEW MAINE will acquire certain properties, including interstate and intrastate operating authority, from OLD MAINE. In addition, NEW MAINE currently has pending an application before

FMCSA for certain interstate operating authority in MC-448293.

NEW PAWTUXET is a newly formed Delaware Limited Liability Company. Its main office is located at 1776 Main St., Springfield, MA 01102. NEW PAWTUXET will acquire certain properties, including interstate operating authority, from OLD PAWTUXET. In addition, NEW PAWTUXET currently has pending an application before FMCSA for certain interstate operating authority in MC-448292.

NEW PETER PAN is a newly formed Delaware Limited Liability Company. Its main office is located at 1776 Main St., Springfield, MA 01102. NEW PETER PAN will acquire certain properties, including interstate and intrastate operating authority, from OLD MINI. In addition, NEW PETER PAN currently has pending an application before FMCSA for certain interstate operating authority in MC-448482.

PPBL, a corporation, is a motor carrier of passengers, holding interstate operating authority in MC-61016. Its main office is located at 1776 Main St., Springfield, MA 01102.

OLD ARROW, a corporation, is a motor carrier of passengers holding interstate authority in MC-1934 and intrastate authority in Connecticut. Its main office is located at 19 George Street, East Hartford, CT 06128.

OLD BONANZA, a corporation, is a motor carrier of passengers holding interstate authority in MC-13028 and intrastate authority in Rhode Island and Massachusetts. Its main office is located at One Bonanza Way, Providence, RI 02904.

OLD MAINE, a corporation, is a motor carrier of passengers holding interstate

authority in MC-109495 and intrastate authority in Maine. Its main office is located at 184 Main Street, Portland, ME 04106.

OLD MINI, a corporation, is a motor carrier of passengers holding interstate authority in MC-231090 and intrastate authority in Massachusetts. Its main office is located at 333 Third Street, Chelsea, MA 02150.

OLD PAWTUXET, a corporation, is a motor carrier of passengers holding interstate authority in MC-115432. Its main office is located at 76 Industrial Lane, West Warwick, RI 02893.

Pertinent Operating Authorities

PPBL holds a series of Certificates issued by the ICC and now administered by FMCSA in Docket MC-61016 and subnumbers thereunder, generally authorizing the transportation of passengers in (1) regular route scheduled service, between Boston, Massachusetts and Washington, D.C. and extending as far west as Albany, New York, and (2) in nationwide charter and special operations.

OLD ARROW holds interstate regular route authority and charter and special operations authority in FMCSA Docket MC-1934 and Connecticut intrastate authority issued by the Connecticut Department of Transportation, namely Regular Route Authority in Certificates No. 312, amended; Certificate No. 312 amendment nos. 2, 7, 8, 9, 10, 11, and 12; and Certificate No. 314; and Livery (i.e., charter) authority in Livery Permit Nos. 778, 2452, and 2513.

OLD BONANZA holds interstate regular route authority in FMCSA Docket

MC-13028 and intrastate authority, namely Rhode Island Motor Carrier of Property Authority - MC-11 - issued by Rhode Island Public Utilities Commission, and Massachusetts regular route authority issued by Massachusetts Department of Telecommunications and Energy ("MDTE"), namely Certificate Nos. 58-B, 87-198, 1053, 1707, 2031-A, 3039, 3046, 3056, 3158, 3058-A, 3175, 3221-A, 3223, 3268, 3278-A, 3280, 3317, 3349-A, 3378-A, 3451, 3472-A, 3483-A, 3508, 3526-A, 3534, 3569, 3593, 3656-A, and 3662-A.

OLD MAINE holds interstate regular route authority and charter and special operations authority in FMCSA Docket MC-109495 and Maine intrastate charter authority issued by Maine Secretary of State, Division of Motor Vehicles, in Docket #B50.

OLD MINI holds charter and special operations authority in FMCSA Docket MC-231090 and Massachusetts intrastate charter/tour authority issued by MDTE in license Nos. 89-142, as amended.

OLD PAWTUXET holds interstate charter and special operations authority in FMCSA Docket MC-115432.

Description of the Proposed Transaction

This application arises from the acquisition by the owner of Peter Pan Bus Lines of the bus businesses of five New England interstate/intrastate bus companies, all now controlled by Stagecoach Group plc and Coach USA.

In order to effect the transaction, and as guided by business considerations, the

parties agreed to an “asset purchase,” by which the Peter Pan interests would acquire essentially all of the assets and business of each of the five selling Coach USA motor carriers. To accomplish this end, PPBL created five new wholly owned companies⁴, to acquire the assets from each of the selling carriers, i.e., NEW ARROW is acquiring assets of OLD ARROW; NEW BONANZA is acquiring assets of OLD BONANZA; NEW MAINE is acquiring assets of OLD MAINE; NEW PAWTUXET is acquiring assets of OLD PAWTUXET; and NEW PETER PAN is acquiring assets of OLD MINI. These assets include, *inter alia*, interstate operating authorities, intrastate operating authorities, motor carrier operating equipment, certain real estate, customer lists, sales records, contracts to which any selling bus company is a party, goodwill, accounts receivable, and other elements of the sellers’ businesses.

STB has jurisdiction over this “transaction” under 49 U.S.C. §14303(a). Ultimately, jurisdiction attaches under §14303(a)(4), since the end result of the transaction is the “acquisition of control of at least 2 carriers [i.e., NEW ARROW, NEW BONANZA, NEW MAINE, NEW PAWTUXET, NEW PETER PAN, and PPBL] by a person that is not a carrier [i.e., PPTRUST].⁵ Jurisdiction also attaches under §14303(a)(2), since the agreement between the parties calls for the purchase of another carrier [i.e., OLD ARROW, OLD BONANZA, OLD MAINE, OLD MINI, and OLD

⁴ The new entities are limited liability companies for which PPBL is the only “member.”

⁵ STB has recognized the role of trusts as controlling entities in this area. *See*, most recently, *Tedesco ESB Family Trust - Continuance in Control and Acquisition of Properties - Academy Bus, L.L.C., et al.*, STB Docket MC-F-20983 (served August 2, 2001).

PAWTUXET] by PPBL, even though effected through newly created subsidiaries.

In interpreting the predecessor to §14303(a), the STB's predecessor ICC consistently held that where there is the purchase of the property of another carrier, regardless of the precise nature of the transaction by which the purchase is accomplished, "then the entire transaction is within our jurisdiction, including all the 'properties,' both tangible and intangible." *Refiners Transport & Terminal Corporation - Purchase - Petroleum Transport, Inc.*, 39 M.C.C. 662, 663 (1944). In an asset transaction such as that proposed here, the Board's jurisdiction extends "over the entire transaction and [there is] the necessity for consideration of all the terms and conditions" of the transaction. *Yellow Transit Freight Lines, Inc. - Control and Merger - Michigan Motor Freight Lines, Inc.*, 70 M.C.C. 471, 477 (1957) STB jurisdiction exists, even when there is the use of affiliated companies to effect the transaction: "The fact that parts of the transaction would be accomplished through affiliated companies of vendee does not affect our jurisdiction over the entire transaction," *Super Service Motor Freight - Purchase - Chandler Transfer*, 58 M.C.C. 382, 386 (1952) The Board has itself approved the acquisition of carrier properties by newly created non-carrier subsidiaries. *Greyhound Lines, Inc. - Acquisition of Assets - Southeastern Trailways, Inc., et al.*, STB Docket MC-F-20925 (served August 27, 1998).

Federally Regulated Carrier Affiliates

Except for the motor carriers identified above, there are no other affiliated carriers involved in the application. The Peter Pan interests are not affiliated with any carriers

other than those described. The selling carriers are now all controlled by Stagecoach Group plc and Coach USA, which with STB approval controls many FMCSA registered motor passenger carriers. None of the other carriers controlled by Stagecoach and Coach is involved in this application.

Jurisdictional Statement - Revenues

The Surface Transportation Board has jurisdiction over this matter under 49 U.S.C. §14303(g), because the annual aggregate gross operating revenues of the carriers involved significantly exceed \$2 million.

For purposes of establishing jurisdiction, the operating revenues for the first nine months of 2002 for PPBL, one of the carriers involved in the transaction, were in excess of \$38 million.

Environmental Impact

The parties assert approval of this application will not constitute a Federal action having a significant effect on the quality of the human environment and the conservation of energy resources.

Public Interest Considerations

a. Adequacy of Transportation Services

The proposed transaction will have no impact on the adequacy of transportation services available for the public.

The proposed transaction involves two respected bus industry organizations. The five carriers whose business is to be acquired are each long time, experienced carriers,

currently under control of Stagecoach Group plc and Coach USA, one of the nation's leading and most qualified bus industry participants, known for providing the highest levels of service for the public. The acquiring entity is the Peter Pan organization, which, though smaller in size and limited geographically to the northeast, is itself one of the nation's most successful and most qualified independent bus organizations, whose reputation for high quality service for the public is second to none.

The Peter Pan organization intends to continue the businesses of each of the acquired carriers, essentially in the same manner in which they are now being conducted, with the result being the public will not be affected by the change.

Further, each of the carriers to be acquired is based in New England, the territory which the Peter Pan organization has served as a passenger carrier dating back to the earliest days of the industry. The Peter Pan organization's roots in and commitment to service of this New England territory add additional assurances that the public will continue to be adequately served upon this transaction's consummation.

Among the carriers to be acquired, only OLD BONANZA is now actively engaged in substantial intercity regular route transportation. The Peter Pan organization intends for NEW BONANZA to maintain that transportation service without any meaningful change. PPBL is a carrier whose focus is and for many years has been on providing regular route service. Its management is experienced and successful in the operation of such service. That experience will assure the continued operation by NEW BONANZA of the OLD BONANZA scheduled service in such a way as to assure

adequate service for the public.

As to the charter and tour services offered by the other carriers to be acquired, the Peter Pan organization has great experience in such services as well, and the application of its managerial expertise and commitment to excellence will assure the continuation of high levels of service under the new Peter Pan ownership.

The Peter Pan organization has for scores of years been a participant in the coach marketplace in New England, as both a regular route and charter and tour carrier. To the extent ownership by holding companies of multiple passenger carriers becomes *de rigueur* in the bus community, the acquisition of control by the Peter Pan organization of five additional carriers is just another example of financially strong, well managed organizations bringing under their corporate umbrella a number of independent carriers, each serving its own customers, and all contributing to the overall goal of better service for the public. The acquisition by PPTRUST of these new carrier properties is only a logical expansion within the territory the Peter Pan organization has served for so long; it will assure the continued viability of all the motor carrier properties, resulting in the continued availability of adequate service for the public.

b. Fixed Charges

There are no fixed charges associated with this transaction.

c. Employee Interests

No carrier employees will be adversely affected by the contemplated "transaction" giving rise to this application. All qualified employees of the carriers whose assets are to

be sold will be offered employment at the corresponding acquiring companies.

d. Competition and the Public Interest

The STB (and predecessor ICC) have traditionally and consistently found that mergers, acquisitions, and assumptions of control within the bus community are not anti-competitive, because of healthy, consumer-oriented competition within the bus industry, and vigorous competition between the bus industry, on the one hand, and on the other, other modes of transportation (including most significantly private automobiles), all of which make up the “relevant market.” *GLI Acquisition Co. -Purchase - Trailways Lines, Inc.*, 4 I.C.C. 2d 591, 598-602 (1988).

More recently, the STB has been called upon to assess the “public interest” and “competition” issues inherent in the acquisition of ownership of numerous bus carriers by non-carrier entities such as Stagecoach Group and its wholly-owned subsidiary Coach USA. *See, Stagecoach Holdings PLLC - Control - Coach USA, Inc., et al.*, STB Docket MC-F-20948 (served July 22, 1999).⁶ In an unbroken line of decisions in recent years the Board has consistently and without exception approved applications of this sort, thereby finding that acquisitions that contemplate the common control of several bus carriers can result in overall better service for the public, without any lessening of the benefits of healthy competition. As examples, among the most recent decisions approving

⁶ Another consolidating group is the Laidlaw/Greyhound organization. *See generally, Laidlaw, Inc., et al. - Merger - Greyhound Liens, Inc.*, STB Docket MC-F-20940, (served December 17, 1998).

applications of this nature are *Greyhound Lines, Inc., et al - Continuance in Control - Crucero USA*, STB Docket MC-F-20991, (September 20, 2002), *Laidlaw, Inc. - Acquisition of Control - C. Seely's Bus Lines, Ltd.*, STB Docket MC-F-20993 (served dated September 18, 2002).

The instant application likewise will result in enhanced efficiencies with no lessening of industry competition. The group of carriers that will, as a result of the transaction, be controlled by PPTRUST will continue to face significant intramodal and intermodal competition in a setting where, as the Board and its predecessor have found, barriers to new entrants remain low. *See, GLI - Purchase - Trailways, supra*, at 600-01 (describing the bus industry's relatively small share of a competitive passenger transportation market dominated by other modes, particularly the private automobile); *Notre Capital Ventures II, LLC and Coach USA, Inc. -- Control Exemption -- Arrow Stage Lines, Inc.; Cape Transit Corp.; Community Coach, Inc.; Community Transit Lines, Inc.; Grosvenor Bus Lines, Inc.; H.A.M.L. Corp.; Leisure Time Tours; Suburban Management Corp.; Suburban Trails, Inc.; and Suburban Transit Corp.*, STB Finance Docket No. 32876 (Sub No. 1) (served May 3, 1996)(noting that opportunities for abuse of market power are effectively foreclosed in the motor passenger carrier business by low entry barriers and pervasive intermodal and intramodal competition).

As the STB has found in so many cases in recent years, (only a very few of which are cited above), the acquisition of control proposed here is consistent with the public interest and will serve to promote competition.

Finally, Board approval of this application will allow the acquisition of control of the intrastate operating rights being acquired through the transaction to be accomplished without the approval of state regulatory authorities, thus relieving the parties from potentially burdensome regulatory requirements. *See* 49 U.S.C. 14303(f), which provides that parties to approved transactions may effectuate such transactions and exercise control without the approval of any state authorities and exempts the parties to the transaction from the application of federal, state, and municipal law as necessary to allow them to carry out the transaction.

U.S. DOT Safety Fitness Rating

The parties certify that the U.S. Department of Transportation Safety Fitness Rating of PPBL, OLD BONANZA, OLD MAINE, OLD MINI, and OLD PAWTUXET is "satisfactory." The Safety Fitness Rating of OLD ARROW is "conditional." The five newly formed LLC's, i.e., NEW ARROW, NEW BONANZA, NEW MAINE, NEW PAWTUXET, and NEW PETER PAN have not been rated.

Insurance Certification

The five acquiring motor carriers will each have on file with FMCSA evidence of appropriate insurance coverage for bodily injury and property damage at limits of not less than \$5 million in connection with their registration filings with FMCSA, *supra*. Actual filing is expected to occur momentarily. PPBL has on file with FMCSA evidence of insurance coverage for bodily injury and property damage at limits of not less than \$5 million. PPBL satisfies that requirement, in part, through self-insurance of the first

Commerce Commission in *Peter Pan Bus Lines, Inc., Application to be a Self-Insurer*,
ICC Docket MC-61016, served June 19, 1991.

Mexico Certification

The parties certify that none of the companies named in this application are domiciled in Mexico, nor or they owned or controlled by persons of that country.

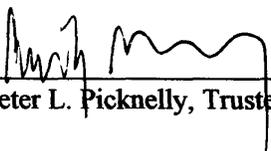
Verification

Each person signing this application verifies under penalty of perjury, under the laws of the United States of America, that all information supplied by such person on behalf of the company which he represents in connection with this application is true and correct. Further, each person signing this application is qualified and authorized to file this application.

Each person signing further certifies under penalty of perjury under the laws of the United States, that he knows that willful misstatements 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 as perjury under 18 U.S.C. §1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

ENTITY IN CONTROL

PETER PAN BUS LINES TRUST


By: Peter L. Picknelly, Trustee

CARRIER NOW UNDER CONTROL OF THE TRUST:

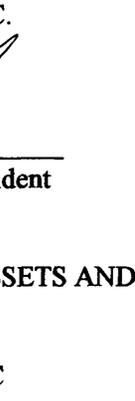
PETER PAN BUS LINES, INC.



By: Peter A. Picknelly, President

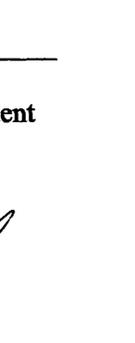
CARRIERS TO ACQUIRE ASSETS AND THEREUPON TO BE CONTROLLED BY THE TRUST:

ARROW ACQUISITION, LLC



By: Peter A. Picknelly, President

BONANZA ACQUISITION, LLC



By Peter A. Picknelly, President

MAINE LINE, LLC



By: Peter A. Picknelly, President

PAWTUXET VALLEY, LLC



By Peter A. Picknelly, President

PETER PAN BOSTON, LLC



By: Peter A. Picknelly, President

CARRIERS SELLING ASSETS:

THE ARROW LINE, INC

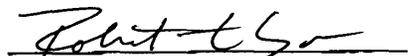
BONANZA BUS LINES, INC.

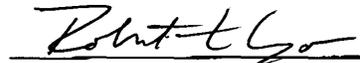

By: Rob Longo, Senior Vice President


By: Rob Longo, Senior Vice President

**BRUNSWICK TRANSPORTATION, INC.
d/b/a THE MAINE LINE**

MINI COACH OF BOSTON, INC.


By: Rob Longo, Senior Vice President


By: Rob Longo, Senior Vice President

**PAWTUXET VALLEY COACH
LINES, INCORPORATED**


By: Rob Longo, Senior Vice President

Applicants' Representatives:

Applicants' representatives are:

For Acquiring Peter Pan Entities:

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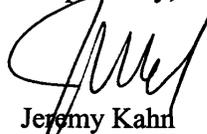
For Coach USA Entities to Be Acquired:

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facsimile (202) 429-3902

Conclusion

As provided by in 49 CFR §1182 and for the reasons set forth herein, the Surface Transportation Board is requested respectfully to approve this application and authorize the acquisition of motor carrier properties and thereupon assumption of control by Peter Pan Bus Line Trust.

Respectfully,



Jeremy Kahn
Counsel for the Acquiring Parties



David H. Coburn
Counsel for the Selling Parties

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Certificate of Service

I hereby certify I have served a copy of the foregoing Application on the following entities by serving a copy thereof as follows:

By causing to be hand delivered to:

Director of Operations
Antitrust Division
U.S. Department of Justice
601 D Street, N.W., Room 1013
Washington, D.C.

Premerger Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
Washington, D.C. 20580

By mailing a copy thereof, via first class mail, postage prepaid, to:

Federal Motor Carrier Safety Administration
U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

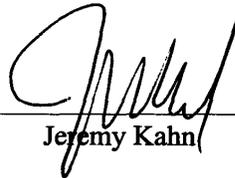
Mr. Robert Cumpstone
Director, Motor Transport Services
Connecticut Department of Transportation
2800 Berlin Turnpike
Newington CT 06111

Mr. Brian Cristy
Director, Transportation Division
Massachusetts Department of Telecommunications
and Energy
One South Station
Boston MA 02110

Mr. William A. Maloney
Associate Administrator
Motor Carriers Division
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

Ms. Jane Lincoln
Acting Commissioner
Maine Department of Transportation
16 Statehouse Station
Augusta ME 04333

Dated at Washington, D.C., this 13th day of December, 2002.



Jeremy Kahn