

LAW OFFICES
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ORIGINAL



June 11, 2002

205583
VIA HAND DELIVERY - RETURN COPY

Hon. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, NW (7th fl.)
Washington, DC 20423-0001

DID#0101965008

Dear Secretary Williams:

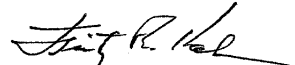
Enclosed for filing in STB Docket No. MC-F-20990, Laidlaw Inc.--Acquisition of Control--Rockton Bus Company, Inc., are the original and ten copies of the Verified Application of Laidlaw Inc.

This firm's check for \$1,500.00 in payment of the filing fee is attached.

Additional copies off this letter and of the Application are enclosed for you to stamp to acknowledge your receipt of them and to return to me in the enclosed stamped and self-addressed envelope.

If you have any question concerning this filing which you believe I may be able to answer or if I otherwise can be of assistance, please let me know.

Sincerely yours,


Fritz R. Kahn

enc.

cc: Harry J. Jordan, Esq.
Lori Evans, Esq.

ENTERED
Office of the Secretary

JUN 11 2002

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Public Record

FILED

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SURFACE
TRANSPORTATION BOARD

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JUN 11 2002

SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C.

ORIGINAL

205583

STB Docket No. MC-F-20990

LAIDLAW INC.
-- ACQUISITION OF CONTROL --
ROCKTON BUS COMPANY, INC.



DID#0101965008

VERIFIED APPLICATION
OF
LAIDLAW INC.

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Fritz R. Kahn
Fritz R. Kahn, P.C.
1920 N Street, NW (8th fl.)
Washington, DC 20036-1601
Tel.: (202) 263-4152

Attorney for

LAIDLAW INC.

Dated: June 11, 2002

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C.

STB Docket No. MC-F-20990

LIDLAW INC.
-- ACQUISITION OF CONTROL --
ROCKTON BUS COMPANY, INC.

VERIFIED APPLICATION
OF
LIDLAW INC.

Applicant, Laidaw Inc. of Burlington, ON, pursuant to 49 U.S.C. 14303 and 49 C.F.R. 1182.1, et seq., seeks Board approval to acquire indirect control of Rockton Bus Company, Inc., a motor carrier of passengers, and in support thereof Applicant states, as follows:

1. Name, addresses and telephone numbers of parties:

Applicant is:

Laidlaw Inc.
3221 North Service Road
Burlington, ON, Canada L7R 3Y8
Tel.: (905) 336-1800

The company to be acquired by Applicant is:

Rockton Bus Company, Inc.
720 N. Blackhawk Boulevard
Rockton, IL 61072
Tel.: (815) 624-7377

2. Descriptions of pertinent operating authorities:

Applicant is a noncarrier.

Rockton Bus Company, Inc., is a motor carrier of passengers authorized to engage in interstate and foreign commerce, rendering special and charter operations, pursuant to its certificate granted in Docket No. MC-165295.

3. A description of the proposed transaction:

Applicant, through its indirectly controlled subsidiary, Laidlaw Transit, Inc., has agreed to purchase all of the outstanding shares of stock of Rockton Bus Company, Inc.¹ Applicant directly and indirectly controls several motor carriers of passengers, identified on the attached charts, Organization of Laidlaw Motor Carrier Subsidiaries and FMCSA Registered Motor Carrier Affiliates, and, therefore, Applicant requires Board authorization, pursuant to 49 U.S.C. 14303, to acquire indirect control of Rockton Bus Company, Inc., a motor carrier of passengers rendering special and charter operations in interstate and foreign commerce.

4. Affiliated motor passenger carriers, their operations and relationships:

Laidlaw Inc., a noncarrier, indirectly controls Laidlaw Transit, Inc., a motor carrier of passengers rendering special and charter operations in the U.S., pursuant to authority granted in Docket No. MC-161299, and it, in turn, controls several motor carriers of passengers rendering special and charter operations in the U.S., pursuant to authorities granted as shown on the

¹ The transaction closed, subject to a Voting Trust Agreement, dated November 1, 1999, a copy of which is attached.

attached charts of Organization of Laidlaw Motor Carrier Subsidiaries and FMCSA Registered Motor Carrier Affiliates. If authorized by the Board, Rockton Bus Company, Inc., will be yet another motor carrier controlled by Laidlaw Transit, Inc.

Laidlaw Inc., also, controls Laidlaw Investments, Ltd., a noncarrier, which, in turn, controls Laidlaw Transportation, Inc., a noncarrier, which in turn controls several motor carriers of passengers rendering special and charter operations in the U.S., pursuant to authorities granted as shown on the attached charts of Organization of Laidlaw Motor Carrier Subsidiaries and FMCSA Registered Motor Carrier Affiliates, and Greyhound Lines, Inc.

Greyhound Lines, Inc., is a motor carrier of passengers providing scheduled, regular-route operations throughout the U.S., pursuant to authority granted in Docket No. MC-1515.

Greyhound controls eight motor carriers of passengers, five via its wholly-owned noncarrier subsidiary, GLI Holding Company, namely, Peoria Rockford Bus Lines, LLC, a regional passenger carrier operating in Illinois, pursuant to authority granted in Docket No. MC-66810, Valley Transit Co., Inc., a regional passenger carrier operating in Texas, pursuant to authority granted in Docket No. MC-74, Carolina Coach Company, a regional passenger carrier operating in Delaware, Maryland, North Carolina, Pennsylvania and Virginia, pursuant to authority granted in Docket No. MC-13300, Texas, New Mexico & Oklahoma Coaches, Inc., a regional passenger carrier operating in the

Colorado, Kansas, New Mexico, Oklahoma and Texas area, pursuant to authority granted in Docket No. MC-61120 and Vermont Transit Co., Inc., a regional passenger carrier operating in the Maine, Massachusetts, New Hampshire, New York and Vermont area, pursuant to authority granted in Docket No. MC-45626, and three via its noncarrier subsidiary, Sistema Internacional de Transporte de Autobuses, Inc., namely, Americanos U.S.A., L.L.C., a regional passenger carrier with authority to conduct operations between Mexican border crossing points at El Paso, TX, Laredo, TX, and McAllen, TX, on the one hand, and, on the other, Albuquerque, NM, Denver, CO, Dallas, TX, Houston, TX, and Chicago, IL, and between other points in the southwestern U.S., pursuant to authority granted in Docket No. MC-309813, Autobuses Amigos, L.L.C., a passenger carrier operating between Mexican border crossing points at Brownsville, TX, and Houston, TX, and points in the southeastern U.S., pursuant to authority granted in Docket No. MC-340462, and Gonzalez, Inc., d/b/a Golden State Transportation, a scheduled, regular-route regional passenger carrier operating principally in the States of Arizona, California, Colorado, Nevada, New Mexico, Oregon, Texas and Washington, pursuant to authority granted in Docket No. MC-173837.

The attached of chart of Organization of Laidlaw Motor Carrier Subsidiaries shows the intercorporate structure of the corporate family from top to bottom.

5. Jurisdictional statement:

The aggregate gross operating revenues of Applicant's

directly and indirectly controlled motor carriers of passengers for the preceding twelve months exceeded \$2 million. The proposed transaction, accordingly, is subject to 49 U.S.C. 14303.

6. Environmental effects:

The proposed transaction will have no significant effect on the quality of the human environment or the conservation of energy resources.

7. Consistency with the public interest:

(a) As already noted, Rockton Bus Company, Inc., is a duly registered motor carrier of passengers, operating in interstate and foreign commerce as a special and charter bus operator. Thus, as a result of its acquisition by Applicant, the carrier will be able to offer its Illinois and Iowa originated passengers tour and sightseeing services over an expanded area. Travel between the two nations advances the understanding of the peoples living on either side of the border and helps to cement the cordiality which long has characterized the relationship between them. The affiliation of Rockton Bus Company, Inc., with the other special and charter bus operators directly or indirectly controlled by Applicant will safeguard that Rockton Bus Company, Inc., will have an adequate number of busses to meet the travel needs of its passengers, and, at such time when its busses are underutilized, Rockton Bus Company, Inc., will have the opportunity to make its busses available to its affiliated special and charter bus operators. Such arrangements will improve the performance of Rockton Bus Company, Inc., which will

enure to the benefit of the public.

(b) The proposed transaction will have no effect on total fixed charges.

(c) The proposed transaction will have no adverse effect upon the employees of Rockton Bus Company, Inc.; to the contrary, by opening Canada to special and charter trips, its drivers will be afforded the opportunity to handle additional trips.

8. Safety fitness ratings:

Neither Applicant, being a noncarrier, nor Rockton Bus Company, Inc., currently has a safety fitness rating. The safety fitness ratings of Applicant's directly and indirectly controlled motor carriers of passengers are shown on the attached chart of FMCSA Registered Motor Carrier Affiliates.

9. Insurance:

Rockton Bus Company, Inc., has in place the required \$5 million of BIPD insurance.

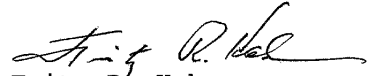
10. Mexican domicile or control:

None of the Applicant, Rockton Bus Company, Inc., or any other of Applicant's directly or indirectly controlled motor carriers of passengers is domiciled in Mexico or controlled by persons of that country.

Respectfully submitted,

LAIDLAW INC.

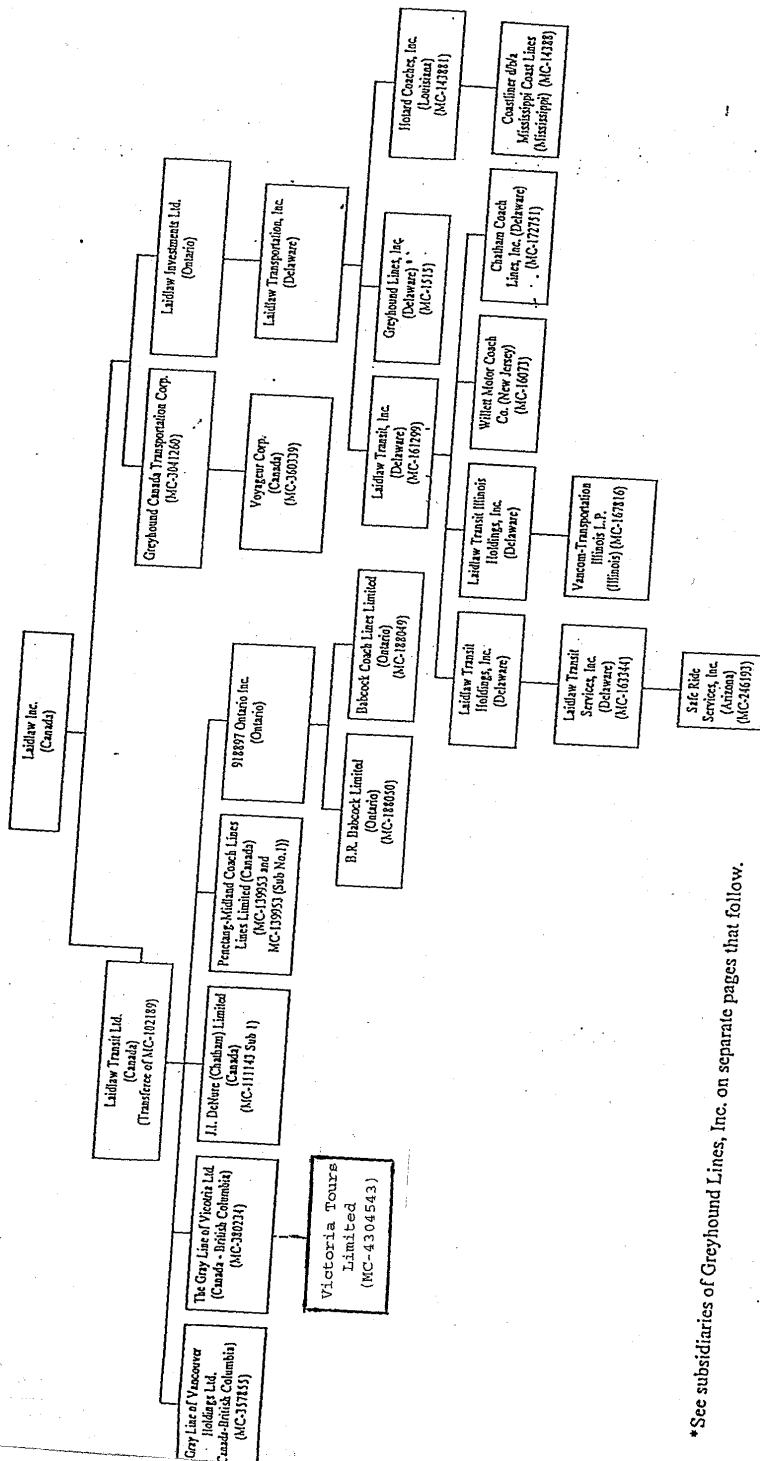
By its attorney,

A handwritten signature in cursive script, appearing to read "Fritz R. Kahn".

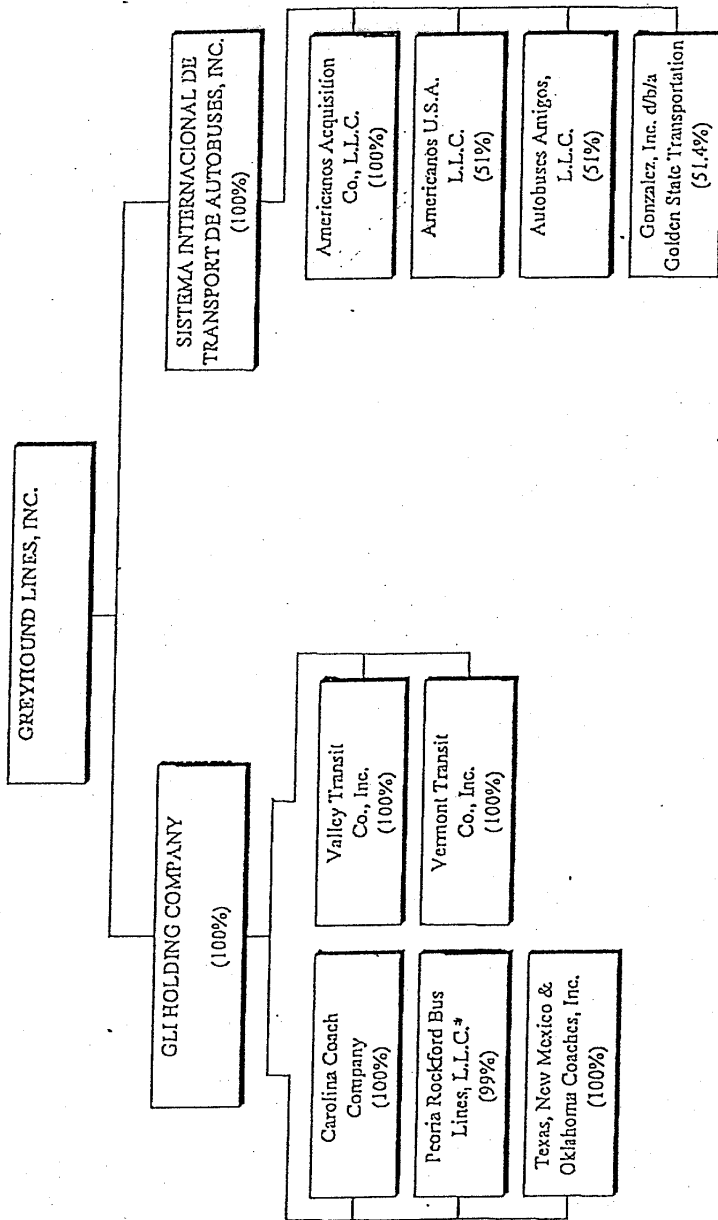
Fritz R. Kahn
Fritz R. Kahn, P.C.
1920 N Street, NW (8th fl.)
Washington, DC 20036-1601
Tel.: (202) 263-4152

Dated: June 11, 2002

Organization of Laidlaw Motor Carrier Subsidiaries



* See subsidiaries of Greyhound Lines, Inc. on separate pages that follow.



* Owned 99% by GLI Holding Company and 1% by Greyhound Lines Inc.

LIDLAW INC.

FMCSA REGISTERED MOTOR CARRIER AFFILIATES

<u>Carrier</u>	<u>MC Number</u>	<u>DOT Number</u>	<u>Safety Rating</u>
Americanos U.S.A., L.L.C.	309813	781086	Satisfactory
Autobuses Amigos, L.L.C.	340462	756806	Satisfactory
Carolina Coach Company, Inc.	13300	90775	Satisfactory
Coastliner, d/b/a Mississippi Coast Limousine, Inc.	133182	87845	Unrated
Gonzalez, Inc., d/b/a Golden State Transportation Company	173837	250869	Satisfactory
Gray Line of Vancouver Holdings Ltd.	357855	803584	Unrated
Gray Line of Victoria, Ltd., The	380234	Unassigned	Unrated
Greyhound Canada Transportation Corp.	304126	14106	Satisfactory
Greyhound Lines, Inc.	1515	44110	Satisfactory
Hotard Coaches, Inc.	143881	156451	Conditional
Laidlaw Transit, Inc.	161299	711716	Unrated
Laidlaw Transit Ltd.	102189	Unassigned	Unrated
Laidlaw Transit Services, Inc.	163344	847250	Unrated
PRB Acquisition, LLC, d/b/a Peoria Rockford Bus Co.	66810	76685	Satisfactory
Safe Ride Services, Inc.	246193	516743	Satisfactory
Texas, New Mexico & Oklahoma Coaches, Inc.	61120	149331	Satisfactory
Valley Transit Company, Inc.	74	136567	Satisfactory
Vancom Transportation — Illinois, L.P.	167816	Unassigned	Unrated
Vermont Transit Co., Inc.	45626	86293	Satisfactory
Victoria Tours Limited	404543	942200	Unrated

Voyageur Corp.	360339	810112	Unrated
Willett Motor Coach Co.	16073	143014	Satisfactory

VOTING TRUST AGREEMENT

THIS AGREEMENT made as of the 21 day of November, 1999.

BETWEEN:

DAVID S. VAN GALDER LIVING TRUST, a trust organized under the laws of the State of Illinois

(the "Settlor")

- and -

LAIDLAW TRANSIT, INC., a corporation organized under the laws of the State of Delaware

("Laidlaw")

- and -

Harry J. Jordan, Esq., an individual of the City of Washington in the District of Columbia

(the "Trustee")

WHEREAS Laidlaw proposes to acquire all of the issued and outstanding shares in the capital stock of Rockton Bus Company, Inc. (the "Target"), a corporation organized under the laws of the State of Illinois which holds a passenger motor carrier registration issued by the former U.S. Interstate Commerce Commission (the "Transaction") and which is currently wholly-owned by the Settlor;

AND WHEREAS a favourable decision of the U.S. Surface Transportation Board (the "STB") is required pursuant to 49 U.S.C. § 14303 in order for Laidlaw, as a regulated passenger motor carrier in the United States, to acquire control of the Target;

AND WHEREAS it appears impossible for the STB to issue such decision prior to the consummation of the Transaction;

AND WHEREAS relevant precedent of the STB and the former U.S. Interstate Commerce Commission permits the Transaction to proceed without violating 49 U.S.C. § 14303 if Settlor insulates the Target from other carrier affiliations by placing its shares in an independent voting trust until a favourable STB decision is received;

AND WHEREAS neither the Trustee nor any affiliates of the Trustee have any officers or directors in common or any direct or indirect business arrangements or dealings (as described in Section 9) with the Settlor, the Target or any of their affiliates;

AND WHEREAS the Trustee is legally empowered and willing to act as voting trustee pursuant to the terms of this Agreement and for the purposes stated above;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements herein contained, and intending to be legally bound hereby, the Settlor, Laidlaw and the Trustee hereby agree as follows:

1. Interpretation. All references herein to Sections and Subsections shall mean sections and subsections of this Agreement unless the context otherwise requires. All references to the STB shall include any successor agency of the U.S. Surface Transportation Board exercising substantially similar powers with respect to the regulation of passenger transportation. All references herein to any legislation shall mean such legislation as it may be amended, restated or replaced from time to time.

For the purposes of this Agreement, an entity is deemed to be an affiliate of another entity if one of them is the subsidiary of the other or both are subsidiaries of the same entity or both are controlled by the same person. An entity is deemed to be an affiliate of a person if it is controlled by that person.

2. Appointment of the Trustee. The Settlor hereby appoints the Trustee as trustee hereunder and the Trustee hereby accepts such appointment and agrees to act as trustee under this Agreement upon the terms and conditions hereof.

3. Deposit of Shares. On or before the date upon which the Transaction is consummated (the "Acquisition Date") and in any event prior to the consummation of the Transaction, the Settlor shall transfer to the Trustee the certificate or certificates (the "Share Certificates") representing all of the issued and outstanding shares in the common stock of the Target (the "Shares") and the Share Certificates shall thereafter constitute the corpus of the trust created by this Agreement (the "Trust"). As of the date of such transfer (the "Implementation Date"), the Share Certificates shall be duly endorsed or accompanied by proper instruments duly executed for transfer of the Shares

to the Trustee. Upon receipt of the Share Certificates, the Trustee shall deliver to the Settlor a voting trust certificate in substantially the form of Schedule "A" hereto (together with all other voting trust certificates issued by the Trustee in replacement thereof or substitution therefor, the "Trust Certificates"). The Trustee then may deliver to the Target the Share Certificates for surrender and cancellation, in which case the Settlor shall cause the Target to issue and deliver to the Trustee a new share certificate registered in the name of the Trustee.

4. Transfer and Transferability of the Trust Certificates. Upon the delivery to the Trustee of any Trust Certificate with the transfer form attached thereto duly endorsed by the registered holder thereof, all or any portion of the beneficial interest in the Shares represented by such Trust Certificate shall be transferable on the books of the Trustee by the party to whom such transfer form is endorsed, upon the surrender thereof properly assigned, in accordance with the rules established by the Trustee from time to time and announced to registered holders of Trust Certificates. Such rules shall give full faith and credit to any duly executed form of transfer. New or replacement Trust Certificates shall be issued by the Trustee as necessary to reflect partial transfers. Until a transfer as described in this Section 4, the Trustee may treat the registered holder of any Trust Certificate as the owner of the Trust Certificate for all purposes. Each transferee of a Trust Certificate shall, by acceptance thereof, assent to and become a party to this Agreement (if not already a party) and shall assume all of the obligations hereunder.

5. Irrevocability. On and after the Implementation Date, this Agreement, the Trust and the appointment of the Trustee during the term of the Trust shall be irrevocable and shall terminate only pursuant to and in accordance with the provisions of Sections 8 and 14.

6. Exercise of Voting Rights. On and after the Implementation Date, the Trustee shall be entitled, and it shall be the Trustee's duty, to exercise any and all voting rights in respect of the Shares either in person or by proxy. The Trustee shall not exercise his voting rights in any way so as to create any dependence or intercorporate relationship between the Target and the Settlor or any of its affiliates other than the beneficial and other interests permitted by this Agreement. The Trustee shall not, without the prior authorization of the STB, exercise voting rights in respect of the Shares to elect any officer, director, nominee or representative of the Settlor, any STB-regulated motor carrier of passengers or their affiliates as a principal officer, manager or director of the Target at any time that such prior authorization is required. The Target shall keep the Trustee informed of its business operations, by providing the Trustee with information contained in the statements and other documents that the Target may prepare for or submit to the STB, other governmental authorities and the registered holders of Trust Certificates, and other financial information respecting the business of the Target as the Trustee may reasonably request from time to time (which other financial information shall be provided to the Trustee by the Target upon such request). The Trustee shall duly consider all such information in the exercise of the voting rights attaching to the

Shares. Notwithstanding the foregoing, the registered holder of any Trust Certificate may at any time, upon the prior authorization of the STB if required, instruct the Trustee in writing to vote the interests represented by such Trust Certificate in any manner, in which case the Trustee shall vote such interests in accordance with such instructions.

7. Dividends and Distributions. During the period commencing on the Implementation Date and ending on the termination of this Agreement as provided herein, immediately following receipt of each distribution of cash or other assets that may be declared and paid on the Shares, other than a dividend comprising additional voting rights, the Trustee shall remit the same to or to the order of the registered holders of the Trust Certificates as of the record date for such dividend in proportion to their respective interests represented by the Trust Certificates outstanding as of such record date. The Trustee shall receive and hold dividends of voting shares in the capital stock of the Target (the "Additional Shares") upon the same terms and conditions as the Shares and shall issue to the registered holders of Trust Certificates as of the record date for such dividend, in proportion to their respective interests represented by the Trust Certificates, additional Trust Certificates in lieu of the Additional Shares and this Agreement shall be deemed to apply to the Additional Shares as though they were Shares.

8. Transfers and Termination. This Section 8 shall take effect on the Implementation Date and shall remain in effect until this Agreement is terminated as provided herein.

- (a) Except as expressly permitted by this Section 8, the Trustee shall not sell, transfer or otherwise dispose of or in any way mortgage, pledge, hypothecate, subject to lien or otherwise encumber, any of the Shares. Notwithstanding the foregoing, the Trustee accepts the Trust subject to the right hereby reserved in the registered holder of any Trust Certificate to direct the sale, transfer or other disposition of the whole or any part of the Shares as hereinafter provided, whether or not any event described in Subsection (b) or (c) of this Section 8 has occurred. At any time upon the receipt by the Trustee of a direction signed by the registered holder of a Trust Certificate designating the person or entity to which the whole or any portion of the Shares the beneficial interest in which is represented by such Trust Certificate is to be sold or transferred and certifying that such person or entity has all necessary regulatory authority, if any be required, to purchase such portion of the Shares (upon which certificate the Trust shall be entitled to rely without any independent verification), the Trustee shall immediately transfer to the person or entity named in such direction all of the Trustee's right, title and interest in such portion of the Shares as may be set forth in such direction. If such direction specifies all of the Shares (including any Additional Shares) registered in the name of the Trustee at that time, then upon the transfer of the Trustee's right, title and interest therein of such Shares in accordance with the direction, the Trust and this Agreement shall cease,

terminate and be of no further force and effect. If said direction is as to only a portion of the Shares registered in the name of the Trustee at that time, the Trust shall cease, terminate and be of no further force and effect only as to said portion of the Shares upon the transfer of the Trustee's right, title and interest therein. To the extent the consideration for any sale or transfer of Shares is payable to or controllable by the Trustee, the Trustee shall arrange for prompt payment of the proceeds of such sale to or to the order of the registered holder of any Trust Certificate representing an interest in any such Shares. It is the intention of this Section 8(a) that no violation of 49 U.S.C. § 14303 will result from a termination of this Agreement or the Trust respecting all or any portion of the Shares.

- (b) If a registered holder of any Trust Certificate delivers to the Trustee a written certification of counsel that 49 U.S.C. § 14303 has been amended, restated, repealed or replaced so as to be inapplicable to the Target, the Trust and this Agreement shall cease, terminate and be of no further force and effect.
- (c) Unless terminated sooner in accordance with the terms of this Agreement, this Agreement shall terminate as of the earliest of:
 - (i) November 1, 2008, so long as no violation of 49 U.S.C. § 14303 will result from such termination and provided that this Agreement may be extended by the parties hereto to the extent permitted by applicable law; or
 - (ii) the date upon which the STB issues a decision substantially to the effect that it declines to accept jurisdiction over the regulation of transactions technically governed by 49 U.S.C. § 14303 where the regulated operations of the parties to such transactions are incidental or ancillary to their businesses or other similar statement; or
 - (iii) the date upon which the STB issues a decision whereby it consents to, exempts from regulation or declines to accept jurisdiction over the acquisition of control of the Target by Laidlaw.

Unless otherwise provided herein, upon such termination, the Shares and any other property held by the Trustee hereunder shall be distributed by the Trustee to the registered holder or holders of the Trust Certificates. The Trustee may, in his reasonable discretion, require the Trust Certificates to be surrendered to him prior to the release or transfer of the interest evidenced thereby.

- (d) To the extent required by the STB, the Trustee shall promptly inform the STB of any transfer or disposition of Shares pursuant to this Section 8.

9. Independence of the Trustee. Neither the Trustee nor any affiliate of the Trustee may have: (i) any officers or directors in common with the Laidlaw, (ii) any direct or indirect business arrangements or dealings with the Settlor or Laidlaw except those pertaining to the establishment and effectuation of this Trust; (iii) a motor passenger motor carrier registration issued by the U.S. Federal Highway Authority or the former U.S. Interstate Commerce Commission. Investment by the Trustee in the capital stock or other securities of Laidlaw or any of its affiliates will not be considered a proscribed business arrangement or dealing; provided, however, that in no event shall any such investment by the Trustee in voting securities of Laidlaw or any of its affiliates exceed 5% of the outstanding voting securities of such entity and in no event shall the Trustee hold a proportion of such voting securities so substantial as to permit the Trustee in any way to control or direct the affairs of Laidlaw or any of its affiliates.

10. Compensation of the Trustee. The Trustee shall be entitled to receive reasonable customary compensation for all services rendered by it as Trustee under the terms hereof and said compensation to the Trustee, together with payment of or reimbursement for all counsel fees, taxes and other expenses reasonably incurred by the Trustee in performing his duties hereunder shall be promptly paid to the Trustee by Laidlaw.

11. Appointment of Agents. The Trustee may at any time and 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.

12. Limitation on Liability of the Trustee. The Trustee shall not be responsible for the default or misconduct of any agent or attorney appointed by the Trustee pursuant hereto if such agent or attorney shall have been selected with reasonable care. The duties and responsibilities of the Trustee shall be limited to those expressly set forth herein. The Trustee shall not be responsible for the sufficiency or accuracy of the form, execution, validity or genuineness of the Share Certificates or any replacements thereof or substitutions therefor or of any documents or of any endorsement thereon or for any lack of endorsement thereon 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 certificate, this Agreement or any other document except for the execution and delivery of the Trust Certificates and this Agreement by the Trustee. Laidlaw and any subsequent registered holder of a Trust Certificate agree that they will at all times protect, indemnify and hold harmless the Trustee from any loss, cost or expense of any kind or character whatsoever in connection with this Trust, except those, if any, arising out of the gross negligence or wilful misconduct of the Trustee and will at all times themselves undertake, assume full responsibility for and pay all reasonable costs and expenses of any suit or litigation of any character, including any proceeding before the STB, with respect to the Shares or this Agreement and, if the Trustee shall be made a party thereto, shall pay all reasonable costs and expenses (including reasonable counsel fees) to which the Trustee may be subject by reason thereof. The Trustee may consult

with independent counsel and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, omitted or suffered to be taken by the Trustee hereunder in good faith and in accordance with such opinion. Fees of such independent counsel shall be paid by the Trustee except for services rendered by such counsel in connection with litigation, suits or STB proceedings of the character aforesaid.

13. Requests for Information. To the extent requested to do so by the Settlor, the Target, Laidlaw or any registered holder of a Trust Certificate, the Trustee shall furnish to the party making such request full information respecting any or all: (a) property theretofore delivered to him as Trustee; (b) property then held by him as Trustee; and (c) action taken theretofore by him as Trustee.

14. Resignation of Trustee and Successors. The Trustee, or any trustee hereinafter appointed in accordance with the terms of this Agreement, may at any time resign by giving the Settlor and the registered holders of Trust Certificates 60 days' prior written notice. Within 35 days of receipt of such notice, the registered holders of Trust Certificates shall appoint a successor trustee who or which shall satisfy the requirements of Section 9. If no successor trustee shall have been appointed and shall have accepted such appointment on or before the date which is 15 days before the effective date of the Trustee's resignation, the Trustee may petition any court of competent jurisdiction for the appointment of a successor trustee. In the event of any material violation of any of the terms and conditions hereof by the Trustee, he shall become disqualified from acting as Trustee hereunder as soon as a successor trustee shall have been selected in the manner provided in this Section 14. Upon written assumption by the successor trustee of the Trustee's powers and duties hereunder on the terms and conditions hereof, a copy of the assumption shall be delivered by the Trustee to the registered holders of Trust Certificates, whereupon the Trustee shall be discharged of his powers and duties hereunder and the successor trustee shall become vested therewith (and from that time all references herein to the Trustee shall be deemed to be references to such successor trustee).

15. Amendments. This Agreement may from time to time be modified or amended by agreement executed by the parties hereto or their successors: (a) pursuant to an order of the STB; (b) with the prior approval of the STB; (c) in order to comply with an order of the STB; or (d) upon receipt of an opinion of counsel satisfactory to the Trustee and the registered holders of the Trust Certificates that such modification or amendment will not violate 49 U.S.C. § 14303 as then interpreted by the STB.

16. Applicable Law. The provisions of this Agreement and the rights and obligations of the parties hereto shall be governed by the laws of the State of Delaware, except that to the extent any provision hereof may be found inconsistent with the statutes and regulations administered by the STB, such statutes and regulations shall control and such provision shall be given effect only to the extent they permit. In the event that the STB shall at any time hereafter, by final, unappealable order, find that

compliance with law requires any other or different action by the Trustee than is provided by any provision of this Agreement, this Agreement shall be deemed to be amended to the extent of such final order and the Trustee shall act in accordance therewith.

17. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when executed, shall be deemed to be an original and all of which together shall constitute one and the same agreement.

18. Successors and Assigns. This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns, including without limitation any successors to the Settlor or the Target by merger, consolidation or otherwise.

19. Notices. All notices required or permitted to be delivered pursuant to this Agreement shall be in writing and shall be personally delivered or delivered by facsimile transmission as follows:

to the Settlor:

Laidlaw Transit, Inc.
3221 North Service Road
Burlington, Ontario, Canada
L7R 3Y8

Attention: Legal Counsel

to the Trustee:

Hamilton & Hamilton
1775 Pennsylvania Avenue, N.W.
Suite 1100
Washington D.C., 20006

Attention: Harry J. Jordan, Esq.

All notices delivered by 5:00 p.m. local time on a business day shall be deemed to be given on such day and all other notices shall be deemed to be given in the next business day following such delivery. The parties may amend their respective addresses for the purpose of this Section 19 by prior notice in the manner set forth above.

20. Headings. The descriptive headings in this Agreement are for convenience of reference only and shall in no manner affect the meaning or interpretation of this Agreement.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by duly authorized representatives as of the date first above written.

DAVID S. VAN GALDER LIVING
TRUST, by its Trustees, as settlor

per: David S. Van Galder

per: Laura S. Van Galder

LAIDLAW TRANSIT, INC., as Purchaser

per: Shirley Hemmick

Witness: Mary F. Coleman

Harry J. Jordan
Harry J. Jordan, Esq., as Trustee

Schedule A

No. _____

VOTING TRUST CERTIFICATE

FOR SHARES IN

ROCKTON BUS COMPANY, INC.

ESTABLISHED UNDER THE LAWS OF ILLINOIS

THIS IS TO CERTIFY that David S. Van Galder Living Trust (the "Settlor") or its successor-in-interest as hereafter provided, will be entitled, on the surrender of this Certificate, to receive on the termination of the Voting Trust Agreement hereinafter referred to, or otherwise as provided in Section 8 of said Voting Trust Agreement, _____ shares of common stock, no par value, representing all of the issued and outstanding stock of Rockton Bus Company, Inc., a corporation organized under the laws of the State of Illinois (the "Company"). This Certificate is issued pursuant to, and the rights of the holder hereof are subject to and limited by, the terms of a Voting Trust Agreement, dated as of November __, 1999 (the "Voting Trust Agreement"), by and among the Settlor, Laidlaw Transit, Inc. and Harry J. Jordan, Esq., as Trustee (the "Trustee"). A copy of the Voting Trust Agreement is on file with said Trustee at the offices of Hamilton & Hamilton, 1775 Pennsylvania Avenue, N.W., Suite 1100, Washington, D.C. 20006 and, subject to any applicable requirements of law, is open to inspection by any officer or director of the Company, the holder hereof or the agent of any of the foregoing. The Voting Trust Agreement, unless earlier terminated (or extended) pursuant to the terms thereof, will terminate on November __, 2008, so long as no violation of U.S.C. §14303, or any successor statutory provision, will result from such termination.

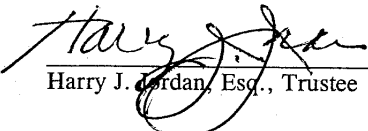
This Certificate shall be transferable only on the books of the Trustee or any successor trustee, to be kept by it, on surrender hereof by the registered holder in person or by attorney duly authorized in accordance with the provisions of the Voting Trust Agreement, and until so transferred, the Trustee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

Any registered subsequent holder of this Certificate, as successor-in-interest to the Settlor, shall be entitled to the benefits of the Voting Trust Agreement, including, without limitation, the right to receive payment equal to the cash dividends, if any, paid by the Company with respect to the shares represented by this Certificate.

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

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be signed as of the date indicated below.

Date: _____

By: 
Harry J. Jordan, Esq., Trustee

FORM OF TRANSFER

FOR VALUE RECEIVED, _____ hereby sells, assigns, and transfers unto _____ the attached Voting Trust Certificate and all rights and interests representing thereby, and does hereby irrevocably constitute and appoint _____ attorney to transfer said Voting Trust Certificate on the books of the Trustee mentioned therein, with full power of substitution in the premises.

Dated: _____

In the presence of _____

VERIFICATION

I, Lori Evans, Secretary of Rockton Bus Company, Inc., declare under penalty of perjury, under the laws of the United States of America, that I have read the foregoing Verified Application of Laidlaw Inc. and that its assertions are true and correct to the best of my knowledge, information and belief. I further declare that I am qualified and authorized to submit this verification on behalf of Rockton Bus Company, Inc. I know 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.

Dated at Burlington, this 10th day of May, 2002


Lori Evans,
Secretary and Legal Counsel
Rockton Bus Company, Inc.

VERIFICATION

I, Ivan Cairns, Senior Vice-President and General Counsel of Laidlaw Inc., declare under penalty of perjury, under the laws of the United States of America, that I have read the foregoing Verified Application of Laidlaw Inc. and that its assertions are true and correct to the best of my knowledge, information and belief. I further declare that I am qualified and authorized to submit this verification on behalf of Laidlaw Inc. I know 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.

Dated at Burlington, this 10th day of May, 2002.


Ivan R. Cairns,
Senior Vice-President and
General Counsel
Laidlaw Inc.