



OFFICIAL NEWSLETTER OF THE OMNIBUS SOCIETY OF AMERICA, INC.

JANUARY-FEBRUARY 2019

Welcome to another issue of The Green Pennant Special, the official publication of The Omnibus Society of America.

Through this publication we hope to keep our readers informed of events happening in the transit industry in Chicago and other cities in the United States.

Visit the Omnibus Society of America website at "www.osabus.org". At osabus.org we will be posting upcoming fan trips and meetings information, as well as membership information.

Please visit our site when you have a chance and give us your opinions and comments.

JAN/FEB MEETINGS

The January meeting of the Omnibus Society of America will be held on January 4, 2019, in the Anderson Pavilion of Swedish Covenant Hospital. The meeting will start at 7:00 pm. The program "Bus Popuree" will be presented by member John LeBeau.

The February meeting of the Omnibus Society of America will be held on February 1, 2019, in the Anderson Pavilion of Swedish Covenant Hospital. The meeting will start at 7:00 pm.

Our program for the evening will be film to digital movies from Bill Reynolds.

OSA Happenings

David Zucker was reelected to the OSA board in December.

2018 dues for membership in the Omnibus Society of America are now being accepted. Dues for the year are \$30.00 and can be paid in person at any OSA meeting or by sending a check or money order to our post office box.

CTA Moves Forward with Major Red Line Projects: Red and Purple Modernization Phase One and Red Line Extension

December 12, 2018

Chicago Transit Board approves contract to design and build Red and Purple Modernization Phase One, including four Red Line station reconstructions and all new track structure

CTA to advance Red Line Extension project, which would extend the Red Line to 130th Street,

by hiring program manager, critical for further planning and preliminary engineering work

The CTA is taking the next major step in Mayor Emanuel's transformational Red and Purple Modernization (RPM) Program by selecting a contracting team to design and build the first phase of RPM, a plan to rebuild the century-old rail lines north of Belmont and improve CTA rail service for decades to come.

The CTA today also announced that it is moving forward with another major Red Line project, the Red Line Extension (RLE) plan, which would extend the Red Line south from 95th Street to 130th Street, by hiring a Program Manager to oversee environmental and preliminary engineering work ahead of seeking funding for the project.

Both projects are part of Mayor Emanuel's visionary Red Ahead program, a series of projects to improve the 22-mile Red Line, the CTA's busiest line, carrying more than 30 percent of rail riders—more than 75 million riders annually.

"For Chicago to continue to be a world-class city, it has to have world-class transit service to connect residents to jobs, education, culture and above all opportunity," said Mayor Emanuel. "We've seen countless businesses make decision to locate in Chicago because of our attractive transportation network, proof that modernizing CTA rail service is an effective strategy for economic growth and creates a seamless, safe, and reliable transportation system for every neighborhood."

"The Red Line forms the backbone of the CTA and our City, and our investment in the Red Line will increase access to quality rail transportation for future riders offer CTA and offer customers faster, more reliable service," said CTA President Dorval R. Carter, Jr. "We are committed to bringing modernization to the Red Line corridor, very much like what we accomplished with the new \$203 million Wilson station reconstruction last year and bringing new service and economic opportunity to the Far South Side by extending the Red Line to serve those communities."

Red and Purple Modernization

The Chicago Transit Board today approved the award of a \$1.2 billion contract to The Walsh-Fluor Design Build Team which will engineer, design and build RPM Phase One, following an 18-month comprehensive procurement process. The contracting team will be responsible for building new Red and Purple line track infrastructure, including:

RUN 01-2019

- Reconstructing the Lawrence, Argyle, Berwyn and Bryn Mawr Red Line stations into larger, 100 percent accessible stations and track structure totaling six miles that is nearly a century old.
- Building a rail bypass north of Belmont station that will improve service reliability on the Red, Purple and Brown lines, increasing train speeds, easing overcrowding on rail cars, and providing capacity for projected future growth.
- Installing a new signal system on 23 track miles between Howard and Belmont that, similar to roadway traffic signals, will improve CTA train flow and increase service reliability.

To find and select a contractor to design and build the project, CTA underwent a two-step procurement process to select the most qualified contractor and best value for CTA. The first step was issuing a Request for Qualifications in 2017 to find contracting teams that had the experience and ability to build a large, complex rail project like RPM Phase One. CTA in December 2017 qualified three contracting teams, including Walsh-Fluor, Chicago Rail Constructors and Kiewit Infrastructure Co., and issued a Draft Request for Proposals, followed by a Final Request for Proposals in April 2018.

Following the rigorous 18-month bid process, CTA determined that the proposal submitted by Walsh-Fluor team – Walsh Construction Co. II LLC and Fluor Enterprises Inc. – provided the best value to CTA, including project savings of more 200 days and \$297 million over other proposals. In considering the bids, CTA gave equal consideration to the technical proposals on how the project would be built and proposed cost. The Walsh-Fluor team brings to CTA its local, national and global transit construction experience, including Walsh's construction of the CTA Wilson Red and Purple Line Station, completed in 2017. Fluor, a global contracting firm, has constructed other major U.S. rail projects, including the \$2.1 billion Denver Eagle, and the \$2 billion Purple Line (Maryland/D.C. suburbs).

CTA and Walsh-Fluor beginning in 2019 will hold public meetings as design and construction planning begins on this exciting project and will work closely with local communities and CTA customers on construction impacts to neighborhoods and service.

The \$2.1 billion RPM Phase One project was announced in 2014 and is fully funded by federal and local money. Currently CTA is performing advance utility relocation work, which includes removing wires and poles and relocating utility equipment ahead of major construction beginning, expected in the latter half of 2019. CTA is also close to completing property demolition work in the project areas.

Red Line Extension

The Chicago Transit Board also today approved the award of a separate contract of \$20.9 million to HNTB Corp. as Program Manager for the Red Line Extension (RLE) – a critical step in project planning. The Program

Manager will oversee final environmental review and preliminary engineering work necessary to ultimately seek federal funding for the project. The three-year contract includes seven one-year options to extend the contract, in order to provide consistent support in future phases of the project.

The proposed 5.3-mile extension would include four new stations near 103rd Street, 111th Street, Michigan Avenue and 130th Street. In January 2018, CTA announced a preferred alignment for the RLE that begins the extension at 95th, travels south along the Union Pacific Rail Road tracks from I-57, and then extends southeast from 119th Street to 130th. The RLE project will provide new access to rail service for Far South Side residents, connecting them to affordable housing, jobs, services and educational opportunities.

The next major step in the RLE project will be to produce a final Environmental Impact Study (EIS) that will include further preliminary engineering work and will analyze impacts of the proposed alignment. CTA expects to apply to the Federal Transit Administration (FTA) for entry into the two-year Project Development Phase for this project, a necessary step to pursue federal funding under the competitive federal "New Starts" program. CTA plans to seek more than \$1 billion in federal funds to support the RLE project, estimated to cost \$2.3 billion.

Both RPM Phase One and RLE are funded by a mix of federal and local funds.

For more information about the Red and Purple Modernization Phase One project, visit transitchicago.com/rpm. For the Red Line Extension project, visit transitchicago.com/redeis.

Mayor Emanuel and CTA Announce Completion of Modernization Work to Historic Quincy Loop Station

December 14, 2018

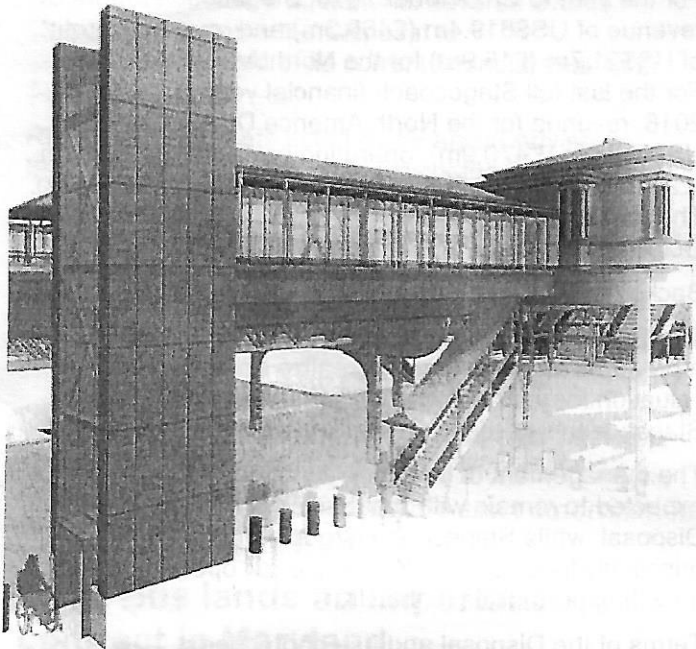
Chicago Landmark Loop L station receives two new elevators making it vertically accessible to people with disabilities, among other improvements

Mayor Rahm Emanuel and CTA President Dorval R. Carter, Jr. today announced the completion of modernization work at the historic Quincy L station to make it vertically accessible to customers with disabilities – the latest milestone in Mayor Emanuel's and CTA's shared commitment to make the entire rail system wheelchair accessible over the next 20 years.

"The Quincy L station has served riders for more than 120 years, providing customers with convenient access to and from Chicago's downtown Loop, business district and tourist destinations," said Mayor Rahm Emanuel. "The addition of these two new elevators extends the life of this historic station and makes it fully functional and accessible for all 21st century customers."

The \$18.2 million modernization, funded with local tax increment finance (TIF) funds, added two elevators to the historic station on either side of Wells Street on the

south end of each platform. The elevators connect to the stationhouse for both the Inner Loop (Orange, Purple, Pink Lines) and Outer Loop (Brown Line) platforms. In keeping with the historical look of the station, the elevator tower exteriors mimic patterns on the station's historic railings.



"CTA is proud to work with the Mayor to extend the life of the 19th century Quincy L station - one of our most historic, iconic stations - and make it fully functional and accessible for 21st century customers," CTA President Carter said. "The Quincy station reflects our commitment to providing accessible, affordable and reliable transportation to for all riders."

Additionally, Quincy Station received various lighting upgrades, reconfigured stairs to improve passenger circulation, replaced its flooring with tile, added new HD security cameras and installed motorized doors that meet ADA guidelines.

The Quincy project represents an ongoing commitment to accessibility. CTA trains and buses are 100 percent accessible, and 71 percent of rail stations (103 of 145) are accessible, one of the highest totals among older U.S. transit agencies. In July 2018, the CTA released the All Stations Accessibility Program (ASAP) Strategic Plan - a blueprint for making the remaining 42 rail stations fully accessible over the next two decades.

This comprehensive plan outlines both short- and long-term station accessibility projects, including repairs/replacement of 160 existing rail station elevators, cost estimates and a proposed implementation schedule.

Built in 1897, the Quincy L station opened when U.S. President William McKinley was in office. Many features of the original station remain today—including pressed metal wreaths and fluted pilasters, or decorative

columns, located on the stationhouse façade - as well as the ticket agent booth, which is still in use.

The Quincy Loop Elevated station was designated a Chicago Landmark in 2017. The last renovation of the station came in 1988, when it was restored as close to its original 1897 appearance as possible. The station provides more than 2.2 million rides annually on the Brown, Orange, Pink and Purple lines, and is a major multi-modal transfer point for 11 CTA bus routes. It also provides convenient connections to Union Station and the LaSalle Street Metra Station.

For more information about the Quincy station, please visit: transitchicago.com/quincy.

Metra to buy three used locomotives

(November 9, 2018) -

The Metra Board of Directors today approved the purchase of three used F59PH locomotives for \$2.5 million to help the railroad supplement its aging locomotive fleet while continuing a longer-term procurement of new or remanufactured locomotives.

The F59PHs, which Metra is purchasing from Progress Rail, were built by the Electro-Motive Division (EMD) of General Motors Corporation in 1988. Metra previously purchased three identical F59PH units from Rail World Locomotive Leasing in 2015. Before being shipped to Metra, Progress Rail will test, evaluate and make any necessary repairs to the three locomotives so that they are ready for commuter service upon delivery.

"Ideally, Metra would have sufficient funding to replace older locomotives with new ones on a regular basis," said Metra CEO/Executive Director Jim Derwinski. "However, Metra has long been underfunded, forcing us to work with the funding we have available. We believe this purchase represents a great opportunity to further supplement our locomotive fleet and increase our spare ratio."

In February, Metra also announced the purchase of 21 F59PHs from Amtrak. These locomotives, which were built by the Electro-Motive Division of General Motors in 1998 and have been rehabbed within the last five years, began arriving on Metra property in October and are expected to be in service early in 2019.



The F59PHs are equipped with similar parts and operating characteristics to Metra's existing fleet of EMD F40s, some of which are 40 years old. That means they can be integrated into the Metra system quickly and

without extensive and expensive training of maintenance and operating crews. The F59PHs will also increase reliability, reduce pollution and be more fuel efficient when compared to the older engines.

In late 2017, Metra issued a request for proposals (RFP) to begin to replace its aging fleet with new or remanufactured locomotives. The RFP calls for a base order of at least 12 new or 15 remanufactured locomotives with options for up to 30 additional new locomotives or 27 additional remanufactured locomotives, for a total of up to 42 new or remanufactured locomotives. Metra is asking for proposals for both new and remanufactured engines because it wants to weigh the costs/benefits of both options. Proposals are currently being evaluated.

Those new or remanufactured locomotives, however, would not be available until late 2020 at the earliest, while the used F59PHs will be available this year. The F59PHs would supplement the engines purchased under the RFP.

The F59PH purchase will be funded with money already set aside for locomotive purchases.

Sale of North America Division (Coach USA) for estimated enterprise value of US\$271m

19 Dec 2018

Stagecoach Group plc ("Stagecoach") is pleased to announce that it has entered into an agreement to sell its North America Division to an affiliate of Variant Equity Advisors, LLC ("Variant") (the "Disposal"), for an estimated enterprise valuation of US\$271.4m.

The cash proceeds will be used to reduce Stagecoach's consolidated net debt.

The Disposal is expected to complete by the end of the current financial year to 27 April 2019.

Martin Griffiths, Stagecoach Chief Executive, commented:

"During our two decades in the North American transportation market, our success included reinvigorating the inter-city coach sector and delivering growth with our innovative megabus.com brand. We have a great team of people who have ensured we have played a leading role in the development of public transportation in the United States and Canada.

"The sale of our North American operations will allow management to focus more closely on the significant opportunities for growth in the UK. We have strong bus and rail operations in the UK where public transport has good prospects as the clear solution to the challenges of increasing road congestion and poor air quality."

Information regarding Stagecoach's North America Division

Stagecoach's North America Division operates bus and coach services. It provides megabus.com inter-city

coach services, commuter services, airport transportation, sightseeing tours, charters and contract services across North America. It is one of the largest ground transportation operators in North America with around 4,500 employees and more than 2,000 buses and coaches.

For the year to 27 October 2018, Stagecoach reported revenue of US\$619.4m (£460.3m) and operating profit* of US\$21.7m (£15.9m) for the North America Division. For the last full Stagecoach financial year to 28 April 2018, revenue for the North America Division was US\$630.0m (£470.9m), operating profit was US\$28.1m (£21.0m) and profit before tax was US\$23.8m (£17.8m). The gross assets of the North America Division as at 27 October 2018 were US\$478.6m (£373.3m).

Background to and reasons for the Disposal

The Stagecoach Board believes that the Disposal represents an opportunity to realize an attractive valuation for the business whilst refocusing Stagecoach's portfolio on the UK.

The management of the North America Division are expected to remain with that business following the Disposal, while Stagecoach Group's management will principally focus on its UK bus and rail operations, and growth opportunities in the UK.

Terms of the Disposal and use of proceeds

The North America Division is headed by Coach USA, Administration, Inc., Stagecoach subsidiary, Scusi Limited ("Scusi"), has agreed to sell 100% of the equity of Coach USA, Administration, Inc. to Project Kenwood Acquisition, LLC. Project Kenwood Acquisition, LLC. is an entity managed by Variant. Variant is a private equity firm that focuses on pursuing corporate divestitures and other operationally-intensive transactions.

The consideration for the Disposal has been agreed at US\$207.0m, subject to a "Locked Box" arrangement. Based on the net debt of the North America Division as at 27 October 2018 of US\$64.4m (after adjusting for US\$20.0m of dividends paid in November 2018 and reflected in the agreed price), that represents an enterprise value for the business of US\$271.4m.

The consideration includes a Deferred Payment Instrument of US\$65.0m, with the balance of the consideration being payable in cash on completion of the Disposal. The amounts that Scusi receives under the Deferred Payment Instrument might be affected by the future performance or subsequent sale of the North America business.

Under the agreed "Locked Box" arrangement, the cash consideration may be adjusted for certain "leakage" transactions, such as further dividends, prior to the completion of the Disposal. For a transitional period following the Disposal, Stagecoach will continue to support collateral arrangements for the ongoing operation of the North America Division, principally in relation to insurance.

The cash proceeds will be applied to reduce Stagecoach's consolidated net debt.

Completion of the Disposal is subject to certain conditions, principally relating to the approval of the Surface Transportation Board, the removal of certain Stagecoach parent company guarantees, change of control consents and no material adverse events. Stagecoach expects the Disposal to complete by the end of its current financial year to 27 April 2019.

RBC Capital Markets acted as Financial Adviser to Stagecoach on the Disposal. Covington & Burling LLP acted as Legal Adviser to Stagecoach on the Disposal. Sidley Austin LLP acted as Legal Adviser to Variant on the Disposal.

The person responsible for arranging the release of this announcement on behalf of Stagecoach Group plc is Ross Paterson, Finance Director.

*Operating profit for the North America Division refers to profit before net finance income/charges, taxation, non-software intangible asset amortization, exceptional items and restructuring costs.

Nova Bus lands an important contract in Maryland

October 18, 2018

Nova Bus, one of the largest bus manufacturers in North America, announced today that it has won the Maryland Department of Transportation Maryland Transit Administration's (MDOT MTA) bid to supply city buses to the Baltimore region's public transport system. The five-year contract provides for the delivery of 70 buses per year for a total of 350 clean-diesel buses to be produced – 310 forty-foot Nova LFS and 40 sixty-foot LFS Artic articulated buses. These new vehicles will be built at the Nova Bus factory in Plattsburgh, NY. Delivery is scheduled to start in the fall of 2019 and will continue through the end of 2024.

"We are very happy to now count MDOT MTA among our many clients. This Nova Bus win occurred in a highly competitive environment confirming once again that Nova Bus is a major player in urban transportation in the United States. Our growth has been constant thanks to the quality of our buses and the support from our service department. We are especially proud to offer public transit passengers in the Baltimore region, buses assembled in the United States," said Ray Little, vice president of sales at Nova Bus.

Nova Bus announces first order from Michigan

September 25, 2018

Nova Bus is proud to announce it has been awarded a contract from Capital Area Transit Authority (CATA) in Lansing, Michigan. The contract calls for 23 clean diesel buses in the base order which includes nineteen 40'

Nova Bus LFS and four 60' LFS Artic. It also includes 60 options over five years, for a maximum total amount of 41.2 million dollars.

"We are especially proud of this win at Lansing, a first for us in Michigan. We knew that CATA was looking for reliable and sustainable buses and it finally chose Nova Bus' products. This new partnership is just beginning and everyone at Nova Bus will be mobilized to meet the needs and demands of CATA and facilitate the introduction of these new buses into the Lansing fleet," said Martin Larose, President and General Manager of Nova Bus.

"CATA is delighted to be the first agency in the state of Michigan to introduce the Nova Bus brand to its fleet," added Bradley T. Funkhouser, CEO and Executive Director of CATA. "Not only is Nova Bus recognized as a reliable product, but each vehicle procured will save us hundreds of thousands of dollars, which is critically important to our stewardship of public funds."

Victor Valley joins California Climate Action with zero-emission buses from New Flyer

December 4, 2018 | New Flyer

New Flyer of America Inc. ("New Flyer"), the U.S. subsidiary of NFI Group Inc. ("NFI"), the largest transit bus and motor coach manufacturer in North America, today announced that the Victor Valley Transit Authority ("VVTA") has awarded New Flyer a new contract for seven forty-foot, zero-emission, battery-electric Xcelsior CHARGE™ heavy-duty transit buses.

The buses commence the evolution of VVTA's current fleet to zero-emission as the agency works toward a goal of 100 percent electric public transit by 2040. VVTA has partnered with local energy provider Southern California Edison (SCE) on its Charge-Ready Transit Bus Program, which assists in deployment of make-ready electric vehicle charging infrastructure solutions for qualified agencies. The move also provides access to early adoption incentives like the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) provided by the California Air Resources Board (CARB).

"Factoring in all unique variables, including steep hills, long distances, extreme weather, and traffic patterns, we are confident that our New Flyer Xcelsior CHARGE buses will lead sustainable transit forward in San Bernardino County," said Ron Zirges, Director of Maintenance and Facilities, VVTA. "With over 50 years' experience manufacturing zero-emission buses, New Flyer is an ideal partner to help us achieve 100 percent zero-emission public transit by 2040 – bringing cleaner, quieter, and more sustainable transit solutions to our community."

New Flyer has delivered over 10,000 buses to the state of California, beginning with zero-emission trolley-electric buses in 1972. To date, New Flyer has sold 77

Xcelsior CHARGE™ electric buses across California with battery-electric bus programs in Coachella Valley, Los Angeles, Oakland, Orange County, and San Diego – proving that zero-emission transportation is today's reality, with California as an established climate leader.

"We are proud to continue building the zero-emission footprint in California, and to support Victor Valley Transit Authority in achieving the 2040 goal while exceeding upcoming federal and state clean air mandates," said Wayne Joseph, President, New Flyer of America. "The evolution to battery-electric transit and supporting infrastructure takes advanced planning and dedication, and we commend VVTA on its commitment to eliminate emissions in pursuit of sustainable transit, a healthier community, and thriving environment in California."

The Victor Valley Transit Authority provides public transit agency in San Bernardino County, delivering over 2.5 million passenger trips per year.

Albuquerque awards New Flyer of America Inc. a contract for 10 sixty-foot clean diesel buses

December 3, 2018 | New Flyer

New Flyer of America, Inc. ("New Flyer"), a subsidiary of NFI Group Inc. ("NFI"), the largest transit bus and motor coach manufacturer in North America, today announced that the City of Albuquerque has issued a contract to purchase ten clean diesel sixty-foot Xcelsior® heavy duty transit buses (20 equivalent units or "EUs") from New Flyer of America Inc. with an option for additional units in the future.

The City of Albuquerque Transit Department ("ABQ Ride") is responsible for all bus and paratransit operations in the Albuquerque metro area. The city issued a recommendation of award for sixty foot, articulated, 5 door clean diesel buses to New Flyer under a 2016 solicitation. The purchase of these buses and their special features will allow their use throughout the Albuquerque transit system.

"New Flyer has deployed more five-door BRT buses than any other manufacturer in the United States," said Wayne Joseph, President, New Flyer of America. "We are very excited to work with Albuquerque on this purchase and have adjusted our 2019 build schedule to accommodate Albuquerque's order".

New Flyer has over 30 years' experience manufacturing high-capacity articulated buses, with over 7,000 delivered since 1988. New Flyer's BRT buses are available with the widest range of drive systems in North America. New Flyer is currently the only manufacturer with successful completion of the Federal Transportation Administration Altoona Testing requirements for sixty-foot articulated buses; ensuring the buses exceed safety and quality requirements thereby qualifying for federal funding.

King County Metro continues zero-emission leadership with four Xcelsior CHARGE™ battery-electric buses from New Flyer

November 20, 2018 | New Flyer

Battery-electric program marks KCM's entry into 5th decade of sustainable public transit

New Flyer of America Inc. ("New Flyer"), the U.S. subsidiary of NFI Group Inc. ("NFI"), the largest transit bus and motor coach manufacturer in North America, today congratulated King County Metro ("KCM") on the official unveiling and launch of its electric bus test and evaluation program utilizing four Xcelsior CHARGE™ battery-electric, heavy-duty transit buses (two forty-foot and two sixty-foot).

King County Metro has made a firm commitment to further reduce transportation-related greenhouse gas emissions in the greater Seattle area, and to reach full zero-emission fleet status as soon as 2034 and no later than 2040. The four leased zero-emission Xcelsior CHARGE™ buses and depot chargers will support KCM's continued pursuit of its climate goals, and will further its transition to a fully zero-emission vehicle fleet energized by renewable energy.

"Our long-term partnership with KCM dates over 40 years with more than 1,500 buses delivered with various propulsion systems ranging from clean diesel to hybrid-electric, trolley-electric and now battery-electric," said Wayne Joseph, President, New Flyer of America. "Since the late 1970s, KCM has been on the forefront of sustainable public transit, and in May 2018, we proudly celebrated the delivery of our 10,000th Xcelsior bus – another electric hybrid – with King County Metro. Today, we're thrilled to mark our continued partnership with KCM as it leads America's evolution to sustainable, zero-emission transit with battery-electric power."

"King County Metro is accelerating the transition to a clean-energy future, not only in the greater Seattle area but across North America with a low and no-emission fleet," said Rob Gannon, KCM's general manager. "We are proud to introduce battery-electric buses to the public and to continue partnering with New Flyer on clean, connected transit solutions."

King County Executive Dow Constantine has set a goal to reduce transportation greenhouse gas emissions by preparing KCM to increase transit service through 2020 with no net increase in greenhouse gas emissions, a goal that should double transit use in Seattle by 2040. This goal builds on an extensive track record of KCM's evolution to low and no-emission buses: in 2002, KCM was the first to adopt New Flyer's sixty-foot diesel-electric hybrid transit bus, and since then has introduced 1,332 hybrid electric buses to its fleet. Nearly 90 percent of KCM's fleet has been updated to include either all-electric or hybrid-electric vehicles.

King County Metro is the public transit authority of King County, Washington, which includes the city of Seattle. It annually delivers over 122 million trips and saves an estimated 70 million gallons of fuel and 600,000 metric tons of CO2 from the atmosphere. KCM was named the Best Large Transit System by the American Public Transportation Association in 2018.

SOUTHWEST TRANSIT FIRST TO TAKE A REVOLUTIONARY STEP TOWARD GREATER PASSENGER ACCESSIBILITY WITH TWO NEW MCI D45 CRT LE COMMUTER COACHES

DES PLAINES, ILLINOIS, NOVEMBER 19, 2018:

(TSX:NFI) Motor Coach Industries (MCI), a U.S. subsidiary of NFI Group Inc., ("NFI"), the largest transit bus and motor coach manufacturer and parts distributor in North America announced SouthWest Transit, Eden Prairie, MN, is known for delivering a trailblazing standard of service to its passengers in the southwest Minneapolis suburbs. Now, SouthWest is taking a major step forward in passenger accessibility with the order of two new MCI D45 CRT LE Commuter Coaches. It is the first U.S. transit agency to order the groundbreaking coaches for its fleet.



The D45 CRT LE's breakthrough accessibility design features a second door with an automated ramp and a curb-level vestibule with seating for passengers, including those with wheelchairs and other mobility devices. The front entry features a roomy, well-lit, ergonomically designed spiral entryway leading to upper-level forward seating. The dual entry system has shown significant decreases in dwell times to match low-floor transit boarding times.

The Buy America compliant new model recently passed its Altoona test, the U.S. Federal Transit Administration's reliability-test for new bus models at the Altoona, PA, test center. In 2020, MCI plans to begin production on a battery-electric version of the model.

Since its October 2017 industry debut, MCI's next-generation Commuter Coach has toured the country in passenger tests, including one by SouthWest Transit during this summer's Minnesota State Fair where SouthWest Transit provided over 100,000 rides. "Passenger response has been very favorable," said Len

Simich, Chief Executive Officer of SouthWest. "They like the speed and ease of entry and exit. During the State Fair we get some heavy loads, and with the vestibule area, we were able to accommodate standing passengers with plenty of room."

Simich added that the company's two new MCI D45 CRT LE coaches allow for better vehicle scheduling and a cost-savings by providing the right vehicle for both the load demand and accessibility needs. "On our express city-to-suburban routes, we currently either have to deploy the lift on our current fleet of commuter coaches which requires additional time, or deploy a 40' low floor vehicle which doesn't always match well with the passenger loads that bus will experience during the course of the trips it makes during the peak hours."

"We also have two transit ambassadors stationed along the corridor on routes in downtown Minneapolis who alert dispatch when a wheelchair lift is needed. Rather than take the additional time to move seats and drop the lift on a standard coach, or to insert a 40' low floor vehicle that may not have the seating capacity needed for any given trip, the new D45 CRT LE model takes care of both issues seamlessly."

Simich also said that during SouthWest's test of the MCI D45 CRT LE, passengers with mobility challenges highly favored the new vestibule design, which was actually created with the help of accessibility user groups. "It's an exclusive design that allows passengers with mobility devices ease of entry and secure designated seating," he said. "From what these passengers have told us, the D45 CRT LE creates a comfort level they appreciate."

SouthWest's new D45 CRT LE coaches will come with Kiel seating for 52 passengers, featuring cup holders and arm rests along with power outlets, Wi-Fi connectivity and bike racks. MCI anticipates that delivery will take place by the end of May 2019.

ROYAL STAR HAWAII ADDING 12 NEW MCI J4500 AND D4505 COACHES BY MID-2019

DES PLAINES, ILLINOIS, DECEMBER 11, 2018:

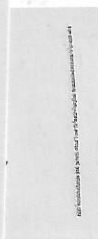
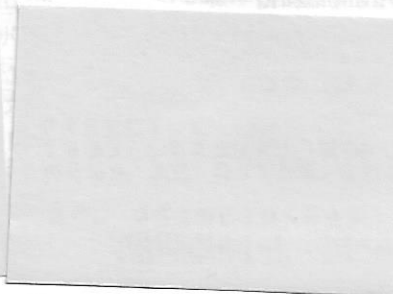
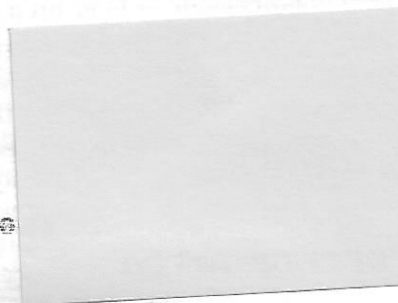
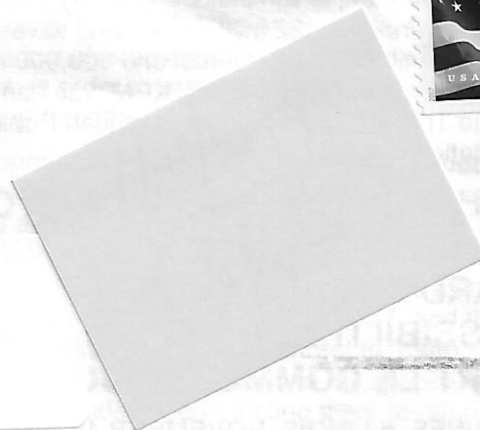
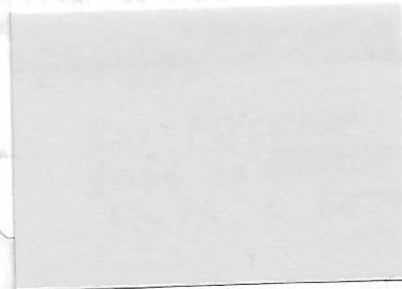
(TSX:NFI) Motor Coach Industries (MCI), a U.S. subsidiary of NFI Group Inc., ("NFI"), the largest transit bus and motor coach manufacturer and parts distributor in North America, announced that Royal Star Hawaii, part of Stars of Paradise Tours & Attractions, a tourism and entertainment leader in Hawaii, has the newest fleet of motor coaches on the Island of Oahu and they're all MCI. And there's more to come!

Royal Star has taken delivery of six MCI coaches in November with the remainder of the twelve bus order planned for the first quarter of 2019. The first delivery includes two 2019 MCI J4500's with a 60-passenger seating capacity, wheelchair lifts, enhanced sound systems, and an on-board lavatory. The other four coaches are 2019 D4505 coaches in the 63-passenger seating configuration including one wheelchair lift. All vehicles are equipped the Cummins / Allison B500

Omnibus Society of America
PO Box A3051
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CAROL STREAM IL 601

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powertrain. Royal Star uses the J4500 for its deluxe Gold service and the D4505 to offer "smart money" Silver service to provide choice to all Hawaii market segments. The gold and silver service is distinguished through the distinctively different interior and exterior coach colors, including its custom Amaya seats, made-to-order fabric selections, as well as driver uniforms, and for its gold service, they offer guaranteed lavatory on board, mints and hand towels.



As a subsidiary of Stars of Paradise Tours & Attractions, Royal Star is the leading transportation provider to its parent's popular tour and entertainment venues including the Star of Honolulu, a 1,500 passenger excursion and sunset dinner cruise vessel, far and away the leader in the Hawaii cruise industry.

"We serve global tourism markets on Oahu with a fleet utilized around the clock," explains Ron Howard, President. "We've worked with MCI for more than 20

years because they have a focus on comfort, reliability and service equal to ours. From our first motor coach to now over 45 coaches in our fleet, MCI has been an important key in our quality of service and phenomenal growth since 1996."

Royal Star has recently constructed a modern \$2 million maintenance facility at its new Honolulu complex, where MCI provides expert technical assistance and training, keeping Royal Star's maintenance technicians up-to-date to meet Royal Star's safety and reliability goals.

"At MCI, we're lucky to have many customers whose brands are synonymous with the territories we serve," said Patricia Ziska, MCI Vice President of Sales. "Royal Star is an affiliate of one of America's most innovative tourism companies, and MCI is proud to have our coaches be a part of their tour experience."

Known for its "Aloha on Wheels®" slogan, Royal Star has served Hawaii since 1996 from its headquarters in Honolulu. It claims many firsts, including the state's first 100 percent seat-belted fleet, 100 percent Drive Cam fleet, wheelchair lift services and guaranteed equipment booking by category with 1 hour minimums and clear pricing. About half of the company's passengers are inbound from Asia, with the rest coming from the mainland United States, Canada, Europe and Oceania as well as local residents.