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E-59-26

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THE LEGISLATURE APRIL 29, 2026
3:58 PM

NIFS ID: CQHE26000004

Capital:

Contract ID #: **CQHE26000004**

NIFS Entry Date: **03/23/2026**

Department: Health

Service: **Preschool Bus Transportation**

Term: from **08/01/2026** to **07/31/2029**

Contract Delayed:

Slip Type: New		
CRP:		
Blanket Resolution:		
Revenue:	Federal Aid:	State Aid:
Vendor Submitted an Unsolicited Solicitation:		

1) Mandated Program:	Yes
2) Comptroller Approval Form Attached:	No
3) CSEA Agmt. & 32 Compliance Attached:	No
4) Significant Adverse Information Identified? (if yes, attach memo):	No
5) Insurance Required:	Yes

Vendor/Municipality Info:	
Name: L&M Bus Corp	ID#: 200292288
Main Address: 231 Malta Street Brooklyn, NY 11207 Contract Specific Address: 22157 Network Place Chicago, IL 60673	
Main Contact: Regina Morana Contract Specific Contact: Joseph Sgro	
Main Phone: (347) 413-2300 Contract Specific Phone: (516) 754-5563	

Department:
Contact Name: Daniel Naftol
Address: 200 County Seat Dr Mineola, NY 11501
Phone: (516) 227-8598
Email: dnaftol@nassaucountyny.gov

Contract Summary

Purpose: Preschool Special Education Bus Transportation - Contract with bus companies to safely and reliably transport preschool children to and from their educational programs
Procurement History: RFP #HE0708-2535 issued 7/8/26
Description of General Provisions: It is the intent of the County of Nassau to properly describe by these specifications, terms and conditions for an adequate method of providing for transportation of students requiring specialized transportation to and from approximately 33 schools on a daily basis. (There are approximately 1400 students for the agency or agencies named herein in order that they may enjoy uninterrupted service in consideration for payment of the prices bid.)
Impact on Funding / Price Analysis: Initial encumbrance of \$6,000,000.00 through 12/31/26. Total contract shall not exceed \$44,000,000.00. State reimbursement of 59.5%
Change in Contract from Prior Procurement: New Contract
Method of Source Selection:

☒ Request For Proposals awarded to proposer offering best value

RFP #: HE0708-2535

Advertised On: 07/08/2025

Advertised In: Official Newspaper

Proposals Due On: 09/12/2025

Number of proposals received: 6

Evaluation Committee members: NCDOH: D. Mancilla (Chair), R. Gonzalez, L. Kenny, R. Oh, H Sherman. Non voting: D. Naftol, C. Langdon, S. Schechter

Pursuant to Executive Order No. 1 of 1993 as amended at least three proposals were solicited and received. The attached memorandum from the department head describes the proposals received along with the cost of each proposal.

The contract has been awarded to the proposer offering the lowest cost proposal

MWBE Participation:

☒ Participation of Minority-owned and Women-owned Business Enterprises in Nassau County Contracts: The selected contractor has agreed that it has an obligation to utilize best efforts to hire MWBE sub-contractors. Proof of the contractual utilization of best efforts as outlined in Exhibit EE may be requested at any time by the Comptroller's Office prior to the approval of claim vouchers. [Note: This box must be checked.]

☒ Vendor will not require any subcontractors.

Contractor is a (check all that apply):

☐ MWBE

☐ SDVOB

Recommendation: Approve as Submitted

Advisement Information

Fund	Control	Resp. Center	Object	Index Code	Sub Object	Budget Code	Line	Amount
GEN	54	5400	PP	HEGEN5400	PP760	HEGEN5400 PP760	01	\$6,000,000.00
						TOTAL	\$6,000,000.00	

Additional Info	
Blanket Encumbrance	
Transaction	
Renewal	
% Increase	
% Decrease	

Funding Source	Amount
Revenue Contract:	
County	\$2,430,000.00
Federal	\$0.00
State	\$3,570,000.00
Capital	\$0.00
Other	\$0.00
Total	\$6,000,000.00

Routing Slip

Department			
NIFS Entry	Daniel Naftol	03/23/2026 10:08AM	Approved
NIFS Final Approval	Deneen Jenkins	03/23/2026 04:02PM	Approved
Final Approval	Deneen Jenkins	03/23/2026 04:02PM	Approved
County Attorney			
Approval as to Form	Julie Silverstein	03/23/2026 06:30PM	Approved
RE & Insurance Verification	Grady Farnan	03/24/2026 07:49AM	Approved
NIFS Approval	Mary Nori	04/01/2026 12:48PM	Approved
Final Approval	Julie Silverstein	04/29/2026 11:26AM	Approved
OMB			
NIFS Approval	Amanda Cohn	03/24/2026 11:50AM	Approved
NIFA Approval	Irfan Qureshi	03/26/2026 10:24AM	Approved
Final Approval	Irfan Qureshi	03/26/2026 10:24AM	Approved
Compliance & Vertical DCE			
Procurement Compliance Approval	Andrew Levey	04/01/2026 02:58PM	Approved
DCE Compliance Approval	Robert Cleary	04/27/2026 05:42PM	Approved
Vertical DCE Approval	Anissa Moore	04/28/2026 10:05AM	Approved
Final Approval	Anissa Moore	04/28/2026 10:05AM	Approved
Legislative Affairs Review			
Final Approval	Christopher Leimone	04/29/2026 02:22PM	Approved
Legislature			
Final Approval			In Progress
Comptroller			
Claims Approval			Pending
Legal Approval			Pending

Accounting / NIFS Approval			Pending
Deputy Approval			Pending
Final Approval			Pending
NIFA			
NIFA Approval			Pending

RULES RESOLUTION NO. – 2026

A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE NASSAU COUNTY DEPARTMENT OF HEALTH AND L&M BUS CORP

WHEREAS, the County has negotiated a personal services agreement with L&M Bus Corp, to provide the County with transportation services, a copy of which is on file with the Clerk of the Legislature; now, therefore, be it

RESOLVED, that the Rules Committee of the Nassau County Legislature authorizes the County Executive to execute an agreement with L&M Bus Corp

CONTRACT FOR SERVICES

THIS AGREEMENT, made as of the date this agreement is last executed by the County (together with the schedules, appendices, attachments, and exhibits, if any, this "Agreement"), between

Nassau County, a municipal corporation having its principal office at 1 West Street, Mineola, New York 11501 (the "County"), acting on behalf of the Nassau County Department of Health, having its principal office at 200 County Seat Drive Mineola, NY 11501 (the "Department"),

- and -

L&M Bus Corporation, a limited liability New York corporation, having its principal address at 3167 Atlantic Avenue, Brooklyn, New York 11207 (the "Contractor").

W I T N E S S E T H:

WHEREAS, the County desires to hire the Contractor to perform the services described in this Agreement;

WHEREAS, the Contractor desires to perform the services described in this Agreement; and

WHEREAS, this is a personal service contract within the intent and purview of Section 2206 of the County Charter.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained in this Agreement, the parties agree as follows:

1) Term.

- A. This Agreement shall commence on August 1, 2026, and shall terminate on July 31, 2029 (the "Initial Term"), unless sooner terminated as provided for herein. The Department may, in its sole discretion, renew the term of this Agreement, on the below agreed upon terms and conditions, for one (1) additional two (2) year period (the "Renewal Term"), for a possible total term of five (5) years, subject to the County's right of early termination as provided in the contract.
- B. The decision to renew the contract(s) will be at the sole discretion of the Department and may be exercised by written notice thereof to the Contractor.

2) Services.

- A. The services and scope of work to be provided by the Contractor under this Agreement shall consist of but are not limited to safely and reliably transport preschool children to and from their educational programs, within the geographic transportation service area(s) ("Zone(s)") they have been awarded, as shown in **SCHEDULE A**, attached below as **EXHIBIT B**.
- B. The contractor will be required to provide reports to the County, as well as provide all findings and recommended actions to mitigate any issues found. All findings and recommended actions must include prioritization based on risk, factoring current intelligence into the risk level. The contractor will also be required to include guidance on how to remediate each item, as well as estimated internal staff hours needed to address each item. The contractor will not remediate any findings unless instructed by the County. The County will pursue recommended actions using the contractor's guidance as appropriate. The full scope of the Contractor's duties and responsibilities is explained in greater detail in **EXHIBIT A ("Scope of Services")**, attached below.

- C. Renewal Services: Services to be provided during the renewal period shall be based on the results of the initial contract period services and current needs of the County.
- 3) **Payment.**
- (a) **Amount of Consideration.** The maximum amount to be paid to the Contractor as full consideration for the Services and all Additional Services performed under this Agreement during the Initial Term, shall not exceed Forty-Four Million (\$44,000,000.00) DOLLARS (the "Maximum Amount"). The Maximum Amount is inclusive of any and all expenses and shall be payable as shown in **SCHEDULE A – Monthly Zone Charges**, attached below as **EXHIBIT B**
- (b) **Partial Encumbrance.** The Contractor acknowledges that the County will partially encumber funds to be applied toward the Maximum Amount throughout the term of this Agreement. The Contractor further acknowledges that the initial encumbrance authorized upon approval of this Agreement shall be Six Million (\$6,000,000.00) DOLLARS. Thereafter, the Department shall notify the Contractor of the availability of additional monies, which written notice shall include the amount encumbered. Such notification shall serve as notice to proceed.
- (c) **Vouchers; Voucher Review, Approval and Audit.** All Payments shall be made in arrears and in accordance with Section 3(a) above and shall be contingent upon (i) the Contractor submitting Vouchers in a form satisfactory to the County that: (a) states with reasonable specificity the services to be provided and the payment requested as consideration for such services, (b) certifies that the services to be rendered and the payment requested are in accordance with this Agreement, and (c) is accompanied by documentation satisfactory to the County supporting the amount claimed, and (ii) review, approval and audit of the Voucher by the Department and/or the County Comptroller or his or her duly designated representative (the "Comptroller").
- (d) **Timing of Payment Claims.** The Contractor shall submit claims no later than three (3) months following the County's receipt of the services that are the subject of the claim and no more frequently than once a month.
- (e) **No Duplication of Payments.** Payments under this Agreement shall not duplicate payments for any work performed or to be performed under other agreements between the parties and any funding source including the county.
- (f) **Payments in Connection with Termination or Notice of Termination.** Unless a provision of this Agreement expressly states otherwise payments to the Contractor following the termination of this Agreement shall not exceed payments made as consideration for services that were (i) performed prior to termination, and (ii) authorized by this Agreement to be performed. The Contractor will receive no payments respecting any services performed after the Contractor received notice of termination from the County.
- 4) **Non-Completion.** Unless otherwise specifically addressed elsewhere in this Agreement, in the event the Agreement is terminated, or the Program cancelled for any reason prior to the date of completion of the Program, the Contractor shall immediately return any and all payment that the Contractor has receive. The re-payments shall be made within seven (7) days from the notice of cancellation or when the performance was due, whichever is sooner.

- 5) **Independent Contractor.** The Contractor is an independent contractor of the County. The Contractor shall not, nor shall any officer, director, employee, servant, agent or independent contractor of the Contractors (a "Contractors Agent"), be (i) deemed a County employee, (ii) commit the County to any obligation, or (iii) hold itself, himself, or herself out as a County employee or Person with the authority to commit the County to any obligation. As used in this Agreement the word "Person" means any individual person, entity (including partnerships, corporations and limited liability companies), and government or political subdivision thereof (including agencies, bureaus, offices and departments thereof).
- 6) **No Arrears, Default and/or Claims.** The Contractor represents it is not in arrears to the County upon any debt or contract and it is not in default as surety, Contractor, or otherwise upon any obligation to the County, including but not limited to any obligation to pay taxes to, or perform services for or on behalf of, the County.
- 7) **Compliance With Law.**
- (a) **Generally.** The Contractor shall comply with any and all applicable Federal, State and local Laws. In furtherance of the foregoing, the Contractor is bound by and shall comply with the terms of the County's vendor registration protocol, Procurement Policy, Charter and Administrative Rules and Regulations and other rules promulgated from time to time from the County and/or relevant Department. As used in this Agreement the word "Law" includes any and all statutes, local laws, ordinances, rules, regulations, applicable orders, and/or decrees, as the same may be amended from time to time, enacted, or adopted. The Contractor shall have a continuing obligation, as circumstances arise, to update the County regarding any changes to the Contractor's disclosures.
- (b) **Records Access.** The parties acknowledge and agree that all records, information, and data ("Information") acquired in connection with performance or administration of this Agreement shall be used and disclosed solely for the purpose of performance and administration of the contract or as required by law. The Contractor shall require all Contractor Agents, Contractor subcontractors, and their respective employees (including Contractor's own employees) to execute a confidentiality agreement, attached hereto as Exhibit A (the "Confidentiality Agreement"), prior to commencing Services under this Agreement. The Contractor shall provide the executed Confidentiality Agreements to the Department prior to the Contractor Agent or subcontractor commencing Services. The Contractor acknowledges that Contractor Information in the County's possession may be subject to disclosure under Article 6 of the New York State Public Officer's Law ("Freedom of Information Law" or "FOIL"). In the event that such a request for disclosure is made, the County shall make reasonable efforts to notify the Contractor of such request prior to disclosure of the Information so that the Contractor may take such action as it deems appropriate.
- (c) The Contractor further acknowledges that to extent this Agreement is subject to approval by the County Legislature, the Agreement, together with any other forms and Contractor disclosures that make up the contract package that is submitted for County approvals (the "Contract Package"), will be posted on the County website. If the Contractor believes that the Contract Package contains information that is excepted from FOIL, such as information of a personal or private nature, the Contractor may submit a duplicate redacted Contract Package for the County's consideration. If the redactions are acceptable to the County, the County will post the redacted Contract Package to the County website. Failure of the

Contractor to submit a redacted Contract Package shall be deemed Contractor's consent to the posting of the un-redacted Contract Package to the County website.

- 8) **Prohibition of Gifts.** In accordance with County Executive Order 2-2018, the Contractor shall not offer, give, or agree to give anything of value to any County employee, agent, consultant, construction manager, or other person or firm representing the County (a "County Representative"), including members of a County Representative's immediate family, in connection with the performance by such County Representative of duties involving transactions with the Contractor on behalf of the County, whether such duties are related to this Agreement or any other County contract or matter. As used herein, "anything of value" shall include, but not be limited to, meals, holiday gifts, holiday baskets, gift cards, tickets to golf outings, tickets to sporting events, currency of any kind, or any other gifts, gratuities, favorable opportunities or preferences. For purposes of this subsection, an immediate family member shall include a spouse, child, parent, or sibling. The Contractor shall include the provisions of this subsection in each subcontract entered into under this Agreement.
- 9) **Disclosure of Conflicts of Interest.** In accordance with County Executive Order 2-2018, the Contractor has disclosed as part of its response to the County's Business History Form, or other disclosure form(s), any and all instances where the Contractor employs any spouse, child, or parent of a County employee of the agency or department that contracted or procured the goods and/or services described under this Agreement. The Contractor shall have a continuing obligation, as circumstances arise, to update this disclosure throughout the term of this Agreement.
- 10) **Nassau County Living Wage Law.** Pursuant to LL 1-2006, as amended, and to the extent that a waiver has not been obtained in accordance with such law or any rules of the County Executive, the Contractor agrees as follows:
 - A. Contractor shall comply with the applicable requirements of the Living Wage Law, as amended.
 - B. Failure to comply with the Living Wage Law, as amended, may constitute a material breach of this Agreement, such breach being determined solely by the County. Contractor has the right to cure such breach within thirty days of receipt of notice of breach from the County. In the event that such breach is not timely cured, the County may terminate this Agreement as well as exercise any other rights available to the County under applicable law.
 - C. On a yearly basis, Contractor shall provide the County with any material changes to its Certificate of Compliance, attached to this Agreement as Appendix L.
- 11) **Vendor Code of Ethics.** By executing this Agreement, the Contractor hereby certifies and covenants that:
 - A. The Contractor has been provided a copy of the Nassau County Vendor Code of Ethics issued on June 5, 2019, as may be amended from time to time (the "Vendor Code of Ethics"), and will comply with all of its provisions;
 - B. All of the Contractor's Participating Employees, as such term is defined in the Vendor Code of Ethics (the "Participating Employees"), have been provided a copy of the Vendor Code of Ethics prior to their participation in the underlying procurement;
 - C. All Participating Employees have completed the acknowledgment required by the Vendor Code of Ethics;
 - D. The Contractor will retain all of the signed Participating Employee acknowledgements for the period it is required to retain other records pertinent to performance under this Agreement;

- E. The Contractor will continue to distribute the Vendor Code of Ethics, obtain signed Participating Employee acknowledgments as new Participating Employees are added or changed during the term of this Agreement, and retain such signed acknowledgments for the period the Contractor is required to retain other records pertinent to performance under this Agreement;
- F. The Contractor has obtained the certifications required by the Vendor Code of Ethics from any subcontractors or other lower tier participants who have participated in procurements for work performed under this Agreement; and
- G. The Contractor shall comply with all federal, State and local statutory and constitutional anti-discrimination provisions. Including but not limited to, Local Law No. 14-2002, entitled "Participation by Minority Group Members and Women in Nassau County Contracts," ("MWBE") which governs all County Contracts as defined herein and solicitations for bids or proposals for County Contracts (See Appendix "EE" attached hereto.)
 - i) IF APPLICABLE AND AT THE OPTION OF THE OFFICE OF MINORITY AFFAIRS "OMA") In an effort to increase the utilization of minority, woman, veteran and Service-Disabled Veteran-Owned Business ("SDVOB") the County is implementing an overall target of 15% MWBE and 2% SDVOB participation in locally funded procurements. Each vendor and/or subcontractor agrees to cooperate and make its best efforts to assist the procuring Department and OMA in achieving this goal. Such best efforts may include, but are not limited to, providing upon request to OMA, information related to Contractor's utilization of SDVOB and MWBE. The County may utilize such information in determining the ability of the contractor to receive future awards.

12) **Minimum Service Standards.** Regardless of whether required by Law:

- A. The Contractor shall conduct its, his or her activities in connection with this Agreement so as not to endanger or harm any Person or property.
- B. The Contractor shall deliver services under this Agreement in a professional manner consistent with the best practices of the industry in which the Contractor operates.
- C. The Contractor shall take all actions necessary or appropriate to meet the obligation described in the immediately preceding sentence, including obtaining and maintaining, and causing all Contractor Agents to obtain and maintain, all approvals, permits, licenses, and certifications ("Approvals") necessary or appropriate in connection with this Agreement.

13) **Right to Works/Ownership of Work Product/Copyright.**

- A. Contractor retains all right, title and interest, including all copyrights, patent rights and trade secret rights, in any Contractor property or works. Contractor hereby grants to County a non-exclusive, irrevocable, non-transferable, royalty-free, perpetual internal use license to use such Contractor Works. As used in this Agreement, the term "Contractor Works" means any of the following: (i) any software program, algorithm, process, methodology, documentation, report, data, flow diagram, document, or other material owned, generated, or distributed by Contractor prior to or separately from this Agreement; or (ii) any tools or utilities developed by or on behalf of Contractor or used by Contractor.
- B. The County retains sole ownership and all right, title, and interest in and to any reports, documents data, photographs, deliverables, and/ or other materials provided by the County ("County Works") to the Contractor for services under this Agreement. Contractor will use County Works in accordance with this Agreement.
- C. Any reports, documents, data, photographs, deliverables, and/or other materials produced pursuant to this Agreement, and any and all drafts and/or other preliminary materials in any

format related to such items produced pursuant to this Agreement, shall upon their creation become the exclusive property of the County.

- D. Any reports, documents, data, photographs, deliverables, and/or other materials provided pursuant to this Agreement ("Copyrightable Materials") shall be considered "work-made-for-hire" pursuant to Section 101 Of the United States Copyright Act, 17 U.S.C. § 101, and the County shall be the copyright owner thereof and of all aspects, elements, and components thereof in which copyright protection might exist. To the extent that the Copyrightable Materials do not qualify as "work-made-for-hire," the Contractor hereby irrevocably transfers, assigns and conveys exclusive copyright ownership in and to the Copyrightable Materials to the County, free and clear of any liens, claims, or other encumbrances. The Contractor shall retain no copyright or intellectual property interest in the Copyrightable Materials. The Copyrightable Materials shall be used by the Contractor for no purpose other than in the performance of this Agreement without the prior written permission of the County. The County may grant the Contractor a license to use the Copyrightable Materials on such terms as determined by the County and set forth in the license.
- E. the Contractor acknowledges that the County may, in its sole discretion, register copyright in the Copyrightable Materials with the United States Copyright Office or any other government agency authorized to grant copyright registrations. The Contractor shall cooperate in this effort and agrees to provide any and all documentation necessary to accomplish this.
- F. The Contractor represents and warrants that the Copyrightable Materials: (i) are wholly original material not published elsewhere (except for material that is in the public domain; (ii) do not violate any copyright law; (iii) do not constitute defamation or invasion of the right of privacy or publicity; and (iv) are not an infringement, of any kind, of the rights of any third party. To the extent that the Copyrightable Materials incorporate any non-original material, the Contractor has obtained all necessary permissions and clearances, in writing, for the use of such non-original material under this Agreement.

14) **Confidentiality.**

- A. The Contractor agrees to hold confidential, both during and after the completion or termination of this Agreement, all of the reports, information, or data, furnished to or prepared, assembled or used by, the Contractor under this Agreement ("Confidential information"). The Contractor agrees to maintain the confidentiality of such Confidential Information by using a reasonable degree of care and using at least the same degree of care that the Contractor uses to preserve the confidentiality of its own confidential information. The Contractor agrees that Confidential Information shall not be made available to any person or entity without the prior written approval of the County.
- B. Required Disclosure: Notwithstanding any inconsistent provision in this Agreement, Contractor shall not be liable for disclosure of Confidential Information to the extent disclosure is required by virtue of court order, subpoena, other validly issued administrative or judicial notice or order, or pursuant to applicable law ("Required Disclosure"); provided that, in such event Contractor has given the County prompt notice in writing or by email of Required Disclosure;
- C. If applicable, Vendor and/or vendors employees/agents, subcontractors, agree to execute the attached Non-Disclosure Agreement ("NDA") and/or Confidentiality Agreement.
- D. **Data Protection.** Contractor acknowledges that it may have access to certain of the County's computer and communications systems and networks for the purposes set forth in this Agreement. If any data is made available or accessible to Contractor, its employees, agents or contractors, pertaining to County business or financial affairs, or to County's projects,

transactions, clients or customers, Contractor will not store, copy, analyze, monitor or otherwise use that data except for the purposes set forth in this Agreement for the benefit of the County. Contractor will comply fully with all applicable laws, regulations, and government orders relating to personally identifiable information ("PII") and data privacy with respect to any such data that Contractor receives or has access to under the Agreement or in connection with the performance of any services for the County. Contractor will otherwise protect PII and will not use, disclose, or transfer across borders such PII except as necessary to perform under this Agreement or as authorized by the data subject or in accordance with applicable law. To the extent that Contractor receives PII related to the performance of this Agreement, Contractor will protect the privacy and legal rights of the County's personnel, clients, customers and contractors.

E. The provisions of this Section shall survive termination of the Agreement.

15) **Indemnification; Defense; Cooperation.**

- A. Contractor shall be responsible for and shall indemnify and hold harmless the County, the Department and its officers, employees, agents, volunteers and representatives (the "Indemnified Parties") from and against any and all liabilities, losses, costs, expenses (including, without limitation, attorneys' fees and disbursements) and damages ("Losses"), arising out of or in connection with any acts or omissions of the Contractor, regardless of whether due to negligence, fault, or default, including Losses in connection with any threatened investigation, litigation or other proceeding or preparing a defense to or prosecuting the same; provided, however, that the Contractor shall not be responsible for that portion, if any, of a Loss that is caused by the negligence of the County.
- B. The Contractor shall, at the County's demand and at the County's direction, promptly and diligently defend, at the Contractor's own risk and expense, any and all suits, actions, or legal proceedings which may be brought or instituted against one or more Indemnified Parties, on any such claim, demand or cause of action in connection with this Agreement and Contractor shall pay and satisfy any judgment or decree which may be rendered against the indemnified Parties in any suit, action or other legal proceeding; and Contractor shall pay for any and all damages to the property of the Indemnified Parties, for loss or theft of such property, done or caused by the Contractor.
- C. The Contractor shall and shall cause all of Contractor's Agent(s) to cooperate with the County and the Department in connection with the investigation, defense or prosecution of any action, suit or proceeding in connection with this Agreement, including the acts or omissions of the Contractor and/or the Contractor's Agent(s) in connection with this Agreement.
- D. In the event the Contractor does not provide the above defense and indemnification to the County, and such refusal or denial to provide the above defense and indemnification is found to be in breach of this provision, then the Contractor shall reimburse the County reasonable attorney's fees incurred in connection with the defense of any action, and in connection with enforcing this provision of the Agreement.
- E. **Infringement Indemnification.** The Contractor shall indemnify, defend and hold the County harmless against any and all liabilities, losses, costs, expenses (including reasonable attorney's fees and disbursements) and damages ("Losses") arising out of or in connection with any infringement, violation or unauthorized use of any copyright, trade secrets, or trademark, patent or any other property or personal right of any third party by the Contractor and/or its employees, agents, or subcontractors in the performance of this Agreement. As a condition to the foregoing indemnity obligation, the County shall give the Contractor: (A) prompt written notice of any action, claim or threat of infringement suit or other suit, (B) the

opportunity to take over, settle or defend such action, claim or suit at the Contractor's sole expense, and (C) assistance in the defense of any such action at the expense of the Contractor.

- (1) In addition to the foregoing, if the use of any Work Product shall be enjoined for any reason or if the Contractor believes that it may be enjoined, the Contractor shall have the right, at its own expense, to take action in the following order of precedence: (A) to procure for the County the right to continue using such Work Product; (B) to modify the Work Product so that it becomes non-infringing and of at least equal quality and performance; or (C) to replace said Work Product with non-infringing deliverable(s), item(s) or part(s) of at least equal quality and performance, or (D) if none of the foregoing is commercially reasonable, then provide monetary compensation to the County up to the dollar amount of the aggregate consideration paid to the Contractor for such Work Product; (E) the preceding remedies are in addition to and not in lieu of the Contractor's obligation to indemnify and defend the County; (F) time is of the essence with respect to every provision of this Agreement in which time of performance is a factor.
- (2) The foregoing provisions shall not apply to any infringement occasioned by modification by the County that is (A) not contemplated by the Contractor; (B) made without the Contractor's approval; (C) infringement occasioned by County Works, specifications, or requirements provided to the Contractor.
- (3) In the event that an action at law or equity is commenced against the County arising out of a claim that the County's use of a Work Product infringes any patent, copyright or propriety right and the Contractor is of the opinion that the allegations in such action in whole or in part are not covered by the indemnification and defense provisions set forth in this Agreement, the Contractor shall immediately notify the County in writing and shall specify to what extent the Contractor believes it is obligated to defend and indemnify under the terms and conditions of this Agreement. The Contractor shall in such event protect the interests of the County and secure a continuance to permit the County to appear and defend its interests in cooperation with the Contractor as is appropriate, including any jurisdictional defenses the County may have.

F. The provisions of this Section shall survive the termination of this Agreement.

16) **Insurance.**

- A. Types and Amounts. The Contractor shall obtain and maintain throughout the term of this Agreement, at its own expense: (i) one or more policies for commercial general liability insurance, which policy(ies) shall name "Nassau County" its officials, employees, volunteers, agents, volunteers and representatives as an additional insured and have a minimum single combined limit of liability of not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate coverage, (ii) if contracting in whole or part to provide professional services, one or more policies for professional liability insurance, which policy(ies) shall have a minimum single combined limit liability of not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate coverage, (iii) workers compensation insurance for the benefit of the Contractor's employees ("Workers' Compensation Insurance"), which insurance is in compliance with the New York State Workers' Compensation Law, or, if the Contractor is exempt from New York State Workers' Compensation Insurance requirements, the Contractor shall provide the County with appropriate documentation evidencing such exemption, and (iv) such additional insurance as the County may from time to time specify. A waiver of subrogation or exemption is granted in favor of the County of Nassau.

- B. Acceptability; Deductibles; Subcontractors. All insurance obtained and maintained by the Contractors pursuant to this Agreement shall be (i) written by one or more commercial insurance carriers licensed to do business in New York State maintains an A.M. Best rating of at least A- and acceptable to the County, and which is (ii) in form and substance acceptable to the County. The Contractor shall be solely responsible for the payment of all deductibles to which such policies are subject. The Contractor shall require any subcontractor hired in connection with this Agreement to carry insurance with the same limits and provisions required to be carried by the Contractor under this Agreement.
- C. Delivery; Coverage Change; No Inconsistent Action. Prior to the execution of this Agreement, copies of current certificates of insurance evidencing the insurance coverage required by this Agreement shall be delivered to the Department. Not less than thirty (30) days prior to the date of any expiration or renewal of, or actual, proposed or threatened reduction or cancellation of coverage under, any insurance required hereunder, the Contractor shall provide written notice to the Department of the same and deliver to the Department renewal or replacement certificates of insurance. The Contractor shall cause all insurance to remain in full force and effect throughout the term of this Agreement and shall not take or omit to take any action that would suspend or invalidate any of the required coverages. The failure of the Contractor to maintain Workers' Compensation Insurance shall render this contract void and of no effect. The failure of the Contractor to maintain required coverages shall be deemed a material breach of this Agreement upon which the County reserves the right to consider this Agreement terminated as of the date of such failure.

17) Assignment; Amendment; Waiver; Subcontracting.

- A. This Agreement and the rights and obligations hereunder may not be in whole or part and in accordance with General Municipal Law Section 109 (i) assigned, transferred or disposed of, (ii) amended, (iii) waived, or (iv) subcontracted, without the prior written consent of the County Executive or his or her duly designated deputy (the "County Executive"), and any purported assignment, other disposal or modification without such prior written consent shall be null and void. The failure of a party to assert any of its rights under this Agreement, including the right to demand strict performance, shall not constitute a waiver of such rights.
- B. The Contractor is and shall remain primarily liable for the successful completion of all Services in accordance with this Agreement. Nothing in this Agreement or otherwise shall create any contractual relationship between the County and the Contractor's subcontractors. The Contractor agrees to be fully responsible to the County for the acts and omissions of its subcontractors. The Contractor's obligation to pay its subcontractors is an independent obligation from the County's obligation to make payments to the Contractor. Therefore, the County shall have no obligation to pay or to enforce the payment of any moneys to any Contractor subcontractors.
- C. The Contractor shall ensure that their subcontractors shall not further subcontract, or otherwise engage an independent contractor or agent to provide any Services under this Agreement without the prior written consent of the County Executive.

18) Termination.

- A. Generally. This Agreement may be terminated (i) for any reason by the County upon thirty (30) days' written notice to the Contractor (ii) for "Cause" by the County immediately upon the receipt by the Contractor of written notice of termination, (iii) upon mutual written agreement of the County and the Contractor, and/or (iv) in accordance with any other provisions of this Agreement expressly addressing termination.

- B. As used in this Agreement the word "Cause" includes: (i) a breach of this Agreement; (ii) the failure to obtain and maintain in full force and effect all Approvals required for the services described in this Agreement to be legally and professionally rendered; and (iii) the termination or impending termination of federal or state funding for the services to be provided under this Agreement.
- C. By the Contractor: This Agreement may be terminated by the Contractor if performance becomes impracticable through no fault of the Contractor, where the impracticability relates to the Contractor's ability to perform its obligations and not to a judgment as to convenience or the desirability of continued performance. Termination under this subsection shall be effected by the Contractor delivering to the commissioner or other head of the Department (the "Commissioner"), at least sixty (60) days prior to the termination date (or a shorter period if sixty days' notice is impossible), a notice stating (i) that the Contractor is terminating this Agreement in accordance with this subsection, (ii) the date as of which this Agreement will terminate, and (iii) the facts giving rise to the Contractor's right to terminate under this subsection. A copy of the notice given to the Commissioner shall be given to the Deputy County Executive who oversees the administration of the Department (the "Applicable DCE") on the same day that notice is given to the Commissioner.
- D. **Contractor Assistance Upon Termination.** In connection with the termination or impending termination of this Agreement the Contractor shall, regardless of the reason for termination, take all actions reasonably requested by the County (including those set forth in other provisions of this Agreement) to assist the County in transitioning the Contractor's responsibilities under this Agreement. The provisions of this subsection shall survive the termination of this Agreement.

19) **Accounting Procedures; Records.**

- A. The Contractor shall maintain and retain, for a period of six (6) years following the later of termination of or final payment under this Agreement, complete and accurate records, documents, accounts and other evidence, whether maintained electronically or manually ("Records"), pertinent to performance under this Agreement. Records shall be maintained in accordance with Generally Accepted Accounting Principles and, if the Contractor is a non-profit entity, must comply with the accounting guidelines set forth in the applicable provisions of the Code of Federal Regulations, 2 C.F.R. Part 200, as may be amended. Such Records shall at all times be available for audit and inspection by the Comptroller, the Department, the County Inspector General, any other governmental authority with jurisdiction over the provision of services hereunder and/or the payment therefore, and any of their duly designated representatives. The provisions of this Section shall survive the termination of this Agreement.

20) **Limitations on Actions and Special Proceedings Against the County.** No action or special proceeding shall lie or be prosecuted or maintained against the County upon any claims arising out of or in connection with this Agreement unless:

- A. Notice. At least thirty (30) days prior to seeking relief the Contractor shall have presented the demand or claim(s) upon which such action or special proceeding is based in writing to the Applicable DCE for adjustment and the County shall have neglected or refused to make an adjustment or payment on the demand or claim for thirty (30) days after presentment. The Contractor shall send or deliver copies of the documents presented to the Applicable DCE under this Section to each of (i) the Department and the (ii) the County Attorney (at the address specified above for the County) on the same day that documents are sent or delivered

to the Applicable DCE. The complaint or necessary 6 moving papers of the Contractor shall allege that the above-described actions and inactions preceded the Contractor's action or special proceeding against the County.

- B. **Time Limitation.** Such action or special proceeding is commenced within the earlier of (i) one (1) year of the first to occur of (A) final payment under or the termination of this Agreement, and (B) the accrual of the cause of action, and (ii) the time specified in any other provision of this Agreement.

- 21) **Work Performance Liability.** The Contractor is and shall remain primarily liable for the successful completion of all work in accordance this Agreement irrespective of whether the Contractor is using a Contractor Agent to perform some or all of the work contemplated by this Agreement, and irrespective of whether the use of such Contractor Agent has been approved by the County.

22) **Data Breach:**

- A. Upon the discovery by the Contractor of a confirmed breach of security that results in the unauthorized release, disclosure, or acquisition of the personal data of any past or present employee of Nassau County and their dependents, the Contractor shall provide "Initial Notice" to the Procuring Department within five (5) business days, after such discovery. The Initial Notice shall be delivered to the Department by electronic mail and by phone call, and shall include the following information, to the extent known at the time of notification:
- i) Date and time of the breach;
 - ii) Names of employee(s) whose personal data, and that of their dependents, was released, disclosed or acquired;
 - iii) The nature and extent of the breach;
 - iv) The Contractor's proposed plan to investigate and remediate the breach.
- B. Upon discovery by the Contractor of a confirmed breach, the Contractor shall conduct an investigation and restore the integrity of its data systems and, without unreasonable delay, but not later than thirty (30) days after discovery of the breach, shall provide the Department with a more detailed notice of the breach, including but not limited to the date and time of the breach; name(s) of the employee(s) whose personal data was released, disclosed or acquired; nature and extent of the breach; and measures taken to ensure that such a breach does not occur in the future.
- C. The Contractor agrees to cooperate with the Department with respect to investigation of the breach and to reimburse the Department for actual documented costs legally required or associated with responding to the breach of security caused by the negligence of Contractor.
- D. The Department shall have the option to terminate this Agreement if the Contractor is found to have suffered a breach of security as described in subsection (a) of this section on two (2) separate occasions during the contract period.

- 23) **Consent to Jurisdiction and Venue; Governing Law.** Unless otherwise specified in this Agreement or required by Law, exclusive original jurisdiction for all claims or actions with respect to this Agreement shall be in the Supreme Court in Nassau County in New York State and the parties expressly waive any objections to the same on any grounds, including venue and forum non conveniens. This Agreement is intended as a contract under, and shall be governed and construed in accordance with, the Laws of New York State, without regard to the conflict of laws provisions thereof.

- 24) **Notices.** Any notice, request, demand or other communication required to be given or made in connection with this Agreement shall be:
- A. in writing to the above referenced addresses and in compliance with the below,
 - B. delivered or sent
 - i) by hand delivery, evidenced by a signed, dated receipt,
 - ii) postage prepaid via certified mail, return receipt requested, or
 - iii) overnight delivery via a nationally recognized courier service,
 - iv) deemed given or made on the date the delivery receipt was signed by a County employee, three (3) business days after it is mailed or one (1) business day after it is released to a courier service, as applicable, and
 - (1) if to the Department, to the attention of the Commissioner at the address specified above for the Department,
 - (2) if to an Applicable DCE, to the attention of the Applicable DCE (whose name the Contractor shall obtain from the Department) at the address specified above for the County,
 - (3) if to the Comptroller, to the attention of the Comptroller at 240 Old Country Road, Mineola, NY 11501, and
 - (4) if to the Contractor, to the attention of the person who executed this Agreement on behalf of the Contractor at the address specified above for the Contractor, or in each case to such other persons or addresses as shall be designated by written notice.

25) **All Legal Provisions Deemed Included; Severability; Supremacy.**

- A. Every provision required by Law to be inserted into or referenced by this Agreement is intended to be a part of this Agreement. If any such provision is not inserted or referenced or is not inserted or referenced in correct form then (i) such provision shall be deemed inserted into or referenced by this Agreement for purposes of interpretation and (ii) upon the application of either party this Agreement shall be formally amended to comply strictly with the Law, without prejudice to the rights of either party.
- B. In the event that any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
- C. Unless the application of this subsection will cause a provision required by Law to be excluded from this Agreement, in the event of an actual conflict between the terms and conditions set forth above the signature page to this Agreement and those contained in any schedule, exhibit, appendix, or attachment to this Agreement, the terms and conditions set forth above the signature page shall control. To the extent possible, all the terms of this Agreement should be read together as not conflicting.
- D. Each party has cooperated in the negotiation and preparation of this Agreement. Therefore, in the event that construction of this Agreement occurs, it shall not be construed against either party as drafter.

26) **Section and Other Headings.** The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

27) **Administrative Service Charge.** Unless exempted or excluded by law, the Contractor agrees to pay the County an administrative service charge for the processing of this Agreement pursuant to Ordinance Number 74-1979, as amended by Ordinance Numbers 201-2001, 128-2006, and 153-

2018. The administrative service charge shall be due and payable to the County by the Contractor upon signing this Agreement in accordance with the following schedule:

Value of Contract	Administrative Fee
(a) \$0-\$10,000	\$0
(b) Over \$10,000-\$50,000	\$160
(c) Over \$50,000-\$100,000	\$266
(d) Over \$100,000	\$533

- 28) **Executory Clause.** Notwithstanding any other provision of this Agreement:
- A. **Approval and Execution.** The County shall have no liability under this Agreement (including any extension or other modification of this Agreement) to any Person unless:
- i) all County approvals have been obtained, including, if required, approval by the County Legislature, and
 - ii) this Agreement has been executed by the County Executive (as defined in this Agreement).
- B. **Availability of Funds.** The County shall have no liability under this Agreement (including any extension or other modification of this Agreement) to any Person beyond funds appropriated or otherwise lawfully available for this Agreement, and, if any portion of the funds for this Agreement are from the state and/or federal governments, then beyond funds available to the County from the state and/or federal governments.
- 29) **Entire Agreement.** This Agreement represents the full and entire understanding and agreement between the parties with regard to the subject matter hereof and supersedes all prior agreements (whether written or oral) of the parties relating to the subject matter of this Agreement.
- 30) **Counterpart Execution.** This Agreement may be executed in any number of counterparts and each such counterpart shall be deemed an original Agreement for all purposes; provided that no Party shall be bound to this Agreement unless and until all Parties have executed a counterpart. Delivery of a copy of a counterpart by facsimile or email by one Party to the other Party shall be deemed to be delivery of an original by that Party.
- 31) **Not-For-Profit Merger, Acquisition, Judicial or Non-Judicial Dissolution (if applicable):** The Contractor agrees to provide written notice the Department, Applicable DCE, County Attorney, and Comptroller Ninety (90) days prior to any Merger, Acquisition, Judicial or Non-Judicial Dissolution, as defined under New York State Not-For-Profit Law.
- 32) **Force Majeure.** Neither party hereto will be liable for losses, defaults, or damages under any contract resulting from this solicitation which result from delays in performing, or inability to perform, all or any of the obligations or responsibilities imposed upon it pursuant to the terms and conditions of this solicitation, due to or because of acts of God, the public enemy, acts of government, earthquakes, floods, strikes, civil strife, pandemic, fire or any other cause beyond the reasonable control of the party that was so delayed in performing or so unable to perform provided that such party was not negligent and shall have used reasonable efforts to avoid and overcome such cause. Such party will resume full performance of such obligations and responsibilities promptly upon removal of any such cause.
- 33) **Non-Waiver:** Failure of the County to insist, in any one or more instances, upon strict performance of any term or condition herein contained shall not be deemed a waiver or relinquishment of such term or condition, but same shall remain in full force and effect.

Acceptance by the County of any portion of the Work or the payment or any fees or reimbursements due hereunder with knowledge of a breach of any term or condition hereof, shall not be deemed a waiver of any such breach and no waiver by the County of any provision hereof shall be implied.

[REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Contractor and the County have executed this Agreement as of the date first above written.

L&M Bus Corporation

By: Joseph Sgro
Name: Joseph Sgro
Title: Senior Vice President
Date: 02-26-2026

NASSAU COUNTY

By: _____
Name: _____
Title: _____, County Executive
(or) _____, Chief Deputy County Executive
(or) _____, Deputy County Executive
Date: _____

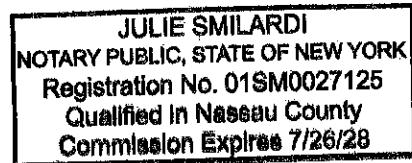
STATE OF NEW YORK)

)ss.:

COUNTY OF NASSAU)

On the 26th day of February in the year 2026 before me personally came Joseph Sajo to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of Nassau; that he or she is the Senior Vice Pres. of L+M Bus Corp, the corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto by authority of the board of directors of said corporation.

Julie Smilardi
NOTARY PUBLIC



STATE OF NEW YORK)

)ss.:

COUNTY OF NASSAU)

On the _____ day of _____ in the year _____ before me personally came _____ to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of _____; that he or she is the _____ of _____, the corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto pursuant to Section 205 of the County Government Law of Nassau County.

NOTARY PUBLIC

EXHIBIT A
Scope of Services

Separate Document

EXHIBIT B
Schedule A – Monthly Zone Charges

	Current # Buses	ZONE 4 L&M Bus / First Student
2 Hour Route	40	13,494.42
3 Hour Route	0	14,934.42
4 Hour Route	0	16,374.42
5 Hour Route	0	17,814.42
6 Hour Route	0	19,254.42

	Current # Buses	ZONE 5 L&M Bus / First Student
2 Hour Route	34	13,494.42
3 Hour Route	1	14,934.42
4 Hour Route	0	16,374.42
5 Hour Route	0	17,814.42
6 Hour Route	0	19,254.42

Prices: Shall remain firm for the first year of the contract and no upward escalation will be permitted. The prices for years 2--3 shall be adjusted annually on September 1st of each year by multiplying the initial charge in each category by a fraction, the numerator of which shall be the U.S. Bureau of Labor Statistics consumer price index for all urban customers (C.P.I.U.) for the NY metropolitan area for May of such year and the denominator of which shall be the index for the annual increase or decrease amount may be lower than the stipulated amount upon mutual agreement.

Appendix EE

Equal Employment Opportunities for Minorities and Women

The provisions of this Appendix EE are hereby made a part of the document to which it is attached.

Definitions:

As used in this Appendix EE the term **"Executive Director"** shall mean the Executive Director of the Nassau County Office of Minority Affairs; provided, however, that Executive Director shall include a designee of the Executive Director except in the case of final determinations issued pursuant to Section (a) through (l) of these rules.

As used in this Appendix EE the term **"Subcontract"** shall mean an agreement consisting of part or parts of the contracted work of the County Contractor.

As used in this Appendix EE, the term **"Subcontractor"** shall mean a person or firm who performs part or parts of the contracted work of a prime contractor providing services, including construction services, to the County pursuant to a county contract. Subcontractor shall include a person or firm that provides labor, professional or other services, materials or supplies to a prime contractor that are necessary for the prime contractor to fulfill its obligations to provide services to the County pursuant to a county contract. Subcontractor shall not include a supplier of materials to a contractor who has contracted to provide goods but no services to the County, nor a supplier of incidental materials to a contractor, such as office supplies, tools and other items of nominal cost that are utilized in the performance of a service contract.

As used in this Appendix EE the term **"Best Efforts Checklist"** shall mean a list signed by the Contractor, listing the procedures it has undertaken to procure Subcontractors in accordance with this Appendix EE.

As used in this Appendix EE the term **"County Contract"** shall mean (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of twenty-five thousand dollars (\$25,000), whereby a County contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the County; or (ii) a written agreement in excess of one hundred thousand dollars (\$100,000), whereby a County contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon. However, the term "County Contract" does not include agreements or orders for the following services: banking services, insurance policies or contracts, or contracts with a County contracting agency for the sale of bonds, notes or other securities.

As used in this Appendix EE the term **"County Contractor"** means an individual, business enterprise, including sole proprietorship, partnership, corporation, not-for-profit corporation, or any other person or entity other than the County, whether a contractor, licensor, licensee or any other party, that is (i) a party to a County Contract, (ii) a bidder in connection with the award of a County Contract, or (iii) a proposed party to a County Contract, but shall not include any Subcontractor.

As used in this Appendix EE **"Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises"** shall include, but is not limited to the following:

- a. Proof of having advertised for bids, where appropriate, in minority publications, trade newspapers/notices and magazines, trade and union publications, and publications of general circulation in Nassau County and surrounding areas or having verbally solicited M/WBEs whom the County Contractor reasonably believed might have the qualifications to do the work. A copy of the advertisement, if used, shall be included to demonstrate that it contained language indicating that the County Contractor welcomed bids and quotes from M/WBE Subcontractors. In addition, proof of the date(s) any such advertisements appeared must be included in the Best Effort Documentation. If verbal solicitation is used, a County Contractor's affidavit with a notary's signature and stamp shall be required as part of the documentation.
- b. Proof of having provided reasonable time for M/WBE Subcontractors to respond to bid opportunities according to industry norms and standards. A chart outlining the schedule/time frame used to obtain bids from M/WBEs is suggested to be included with the Best Effort Documentation
- c. Proof or affidavit of follow-up of telephone calls with potential M/WBE subcontractors encouraging their participation. Telephone logs indicating such action can be included with the Best Effort Documentation
- d. Proof or affidavit that M/WBE Subcontractors were allowed to review bid specifications, blueprints and all other bid/RFP related items at no charge to the M/WBEs, other than reasonable documentation costs incurred by the County Contractor that are passed onto the M/WBE.
- e. Proof or affidavit that sufficient time prior to making award was allowed for M/WBEs to participate effectively, to the extent practicable given the timeframe of the County Contract.
- f. Proof or affidavit that negotiations were held in good faith with interested M/WBEs, and that M/WBEs were not rejected as unqualified or unacceptable without sound business reasons based on (1) a thorough investigation of M/WBE qualifications and capabilities reviewed against industry custom and standards and (2) cost of performance. The basis for rejecting any M/WBE deemed unqualified by the County Contractor shall be included in the Best Effort Documentation.
- g. If an M/WBE is rejected based on cost, the County Contractor must submit a list of all sub-bidders for each item of work solicited and their bid prices for the work.
- h. The conditions of performance expected of Subcontractors by the County Contractor must also be included with the Best Effort Documentation
- i. County Contractors may include any other type of documentation they feel necessary to further demonstrate their Best Efforts regarding their bid

documents.

Rule:

The Contractor shall comply with all federal, State and local statutory and constitutional anti-discrimination provisions. In addition, Local Law No. 14-2002, entitled "Participation by Minority Group Members and Women in Nassau County Contracts," governs all County Contracts as defined herein and solicitations for bids or proposals for County Contracts. In accordance with Local Law 14-2002:

- A. The Contractor shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status in recruitment, employment, job assignments, promotions, upgradings, demotions, transfers, layoffs, terminations, and rates of pay or other forms of compensation. The Contractor will undertake or continue existing programs related to recruitment, employment, job assignments, promotions, upgradings, transfers, and rates of pay or other forms of compensation to ensure that minority group members and women are afforded equal employment opportunities without discrimination.
- B. At the request of the County contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, union, or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability, or marital status and that such employment agency, labor union, or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.
- C. The Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the County Contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.
- D. The Contractor shall make best efforts to solicit active participation by certified minority or women-owned business enterprises ("Certified M/WBEs") as defined in Section 101 of Local Law No. 14-2002, for the purpose of granting of Subcontracts.
- E. The Contractor shall, in its advertisements and solicitations for Subcontractors, indicate its interest in receiving bids from Certified M/WBEs and the requirement that Subcontractors must be equal opportunity employers.
- F. Contractors must notify and receive approval from the respective Department Head prior to issuing any Subcontracts and, at the time of requesting such authorization, must submit a signed Best-Efforts Checklist.
- G. Contractors for projects under the supervision of the County's Department of Public Works shall also submit a utilization plan listing all proposed Subcontractors so that, to the greatest extent feasible, all Subcontractors will be approved prior to commencement of work. Any additions or changes to the list of subcontractors under the utilization plan shall be approved by the Commissioner of the Department of Public Works when made. A copy of the utilization plan any additions or changes thereto shall be submitted by the Contractor to the Office of Minority Affairs simultaneously with the submission to the Department of Public Works.

- H. At any time after Subcontractor approval has been requested and prior to being granted, the contracting agency may require the Contractor to submit Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises. In addition, the contracting agency may require the Contractor to submit such documentation at any time after Subcontractor approval when the contracting agency has reasonable cause to believe that the existing Best-Efforts Checklist may be inaccurate. Within ten working days (10) of any such request by the contracting agency, the Contractor must submit Documentation.
- I. In the case where a request is made by the contracting agency or a Deputy County Executive acting on behalf of the contracting agency, the Contractor must, within two (2) working days of such request, submit evidence to demonstrate that it employed Best Efforts to obtain Certified M/WBE participation through proper documentation.
- J. Award of a County Contract alone shall not be deemed or interpreted as approval of all Contractor's Subcontracts and Contractor's fulfillment of Best Efforts to obtain participation by Certified M/WBEs.
- K. A Contractor shall maintain Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises for a period of six (6) years. Failure to maintain such records shall be deemed failure to make Best Efforts to comply with this Appendix EE, evidence of false certification as M/WBE compliant or considered breach of the County Contract.
- L. The Contractor shall be bound by the provisions of Section 109 of Local Law No. 14-2002 providing for enforcement of violations as follows:
 - i) Upon receipt by the Executive Director of a complaint from a contracting agency that a County Contractor has failed to comply with the provisions of Local Law No. 14-2002, this Appendix EE or any other contractual provisions included in furtherance of Local Law No. 14-2002, the Executive Director will try to resolve the matter.
 - ii) If efforts to resolve such matter to the satisfaction of all parties are unsuccessful, the Executive Director shall refer the matter, within thirty days (30) of receipt of the complaint, to the American Arbitration Association for proceeding thereon.
 - iii) Upon conclusion of the arbitration proceedings, the arbitrator shall submit to the Executive Director his recommendations regarding the imposition of sanctions, fines or penalties. The Executive Director shall either (i) adopt the recommendation of the arbitrator (ii) determine that no sanctions, fines or penalties should be imposed or (iii) modify the recommendation of the arbitrator, provided that such modification shall not expand upon any sanction recommended or impose any new sanction or increase the amount of any recommended fine or penalty. The Executive Director, within ten days (10) of receipt of the arbitrator's award and recommendations, shall file a determination of such matter and shall cause a copy of such determination to be served upon the respondent by personal service or by certified mail return receipt requested. The award of the arbitrator, and the fines and penalties imposed by the Executive Director, shall be final determinations and may only be vacated or modified as provided in the civil practice law and rules ("CPLR").

- M. The contractor shall provide contracting agency with information regarding all subcontracts awarded under any County Contract, including the amount of compensation paid to each Subcontractor and shall complete all forms provided by the Executive Director or the Department Head relating to subcontractor utilization and efforts to obtain M/WBE participation.

Failure to comply with provisions (a) through (m) above, as ultimately determined by the Executive Director, shall be a material breach of the contract constituting grounds for immediate termination. Once a final determination of failure to comply has been reached by the Executive Director, the determination of whether to terminate a contract shall rest with the Deputy County Executive with oversight responsibility for the contracting agency.

Provisions (a), (b) and (c) shall not be binding upon Contractors or Subcontractors in the performance of work or the provision of services or any other activity that are unrelated, separate, or distinct from the County Contract as expressed by its terms.

The requirements of the provisions (a), (b) and (c) shall not apply to any employment or application for employment outside of this County or solicitations or advertisements therefor or any existing programs of affirmative action regarding employment outside of this County and the effect of contract provisions required by these provisions (a), (b) and (c) shall be so limited.

The Contractor shall include provisions (a), (b) and (c) in every Subcontract in such a manner that these provisions shall be binding upon each Subcontractor as to work in connection with the County Contract.

Provisions requiring contractors to retain or submit documentation of best efforts to utilize certified subcontractors and requiring Department head approval prior to subcontracting shall not apply to inter-governmental agreements. In addition, the tracking of expenditures of County dollars by not-for-profit corporations, other municipalities, States, or the federal government is not required.

Appendix L
Certificate of Compliance

In compliance with Local Law 1-2006, as amended (the "Law"), the Contractor hereby certifies the following:

- Senior Vice President JS
1. The ~~chief executive officer~~ of the Contractor is:
Joseph Sarno (Name)
231 Malta Street, Brooklyn, NY 11207 (Address)
718-885-4839 (Telephone Number)
2. The Contractor agrees to either (1) comply with the requirements of the Nassau County Living Wage Law or (2) as applicable, obtain a waiver of the requirements of the Law pursuant to section 9 of the Law. In the event that the contractor does not comply with the requirements of the Law or obtain a waiver of the requirements of the Law, and such contractor establishes to the satisfaction of the Department that at the time of execution of this agreement, it had a reasonable certainty that it would receive such waiver based on the Law and Rules pertaining to waivers, the County will agree to terminate the contract without imposing costs or seeking damages against the Contractor
3. In the past five years, Contractor _____ (HAS) X (HAS NOT) been found by a court or a government agency to have violated federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If a violation has been assessed against the Contractor, describe below:

4. In the past five years, an administrative proceeding, investigation, or government body-initiated judicial action _____ (HAS) X (HAS NOT) been commenced against or relating to the Contractor in connection with federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If such a proceeding, action, or investigation has been commenced, describe below:

5. Contractor agrees to permit access to work sites and relevant payroll records by authorized County representatives for the purpose of monitoring compliance with the Living Wage Law and investigating employee complaints of noncompliance.

I hereby certify that I have read the foregoing statement and, to the best of my knowledge and belief, it is true, correct and complete. Any statement or representation made herein shall be accurate and true as of the date stated below.

02-26-2026

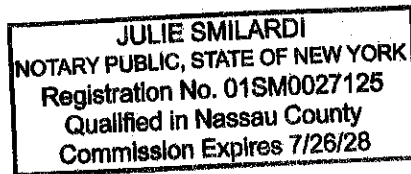
Dated

Joseph Sgro
Signature of ~~Chief Executive Officer~~
Senior Vice President 

Joseph Sgro
Name of ~~Chief Executive Officer~~
Senior Vice President 

Sworn to before me this
26th day of February, 2026.

Julie Smilardi
Notary Public



Non-Disclosure Agreement (NDA)

THIS NON-DISCLOSURE AGREEMENT ("Agreement") is made effective upon the date last executed by all the parties to this Agreement by and between the County of Nassau acting by and through its Department of Health ("Disclosing Party" or "County") and **L&M Bus Corporation** ("Recipient" or "Contractor"), including each of their subsidiaries, successors and assigns.

WHEREAS, County and Contractor have entered into a Nassau County contract to safely and reliably transport preschool children to and from their educational programs ("Agreement"); and

WHEREAS, County require that the Contractor assigned to work on County projects acknowledges the obligations of confidentiality and non-disclosure applicable to the Contractor pursuant to the Agreement.

NOW, THEREFORE, the Contractor acknowledges the following:

Term.

The confidentiality obligations set forth herein shall survive (i) termination of the Agreement.

Confidential Information.

- (a) The Contractor acknowledges and understand that all records, reports, information, and data as further identified below ("Information") acquired in connection with performance or administration of the Agreement shall be used and disclosed solely for the purpose of performance and administration of the Contract or as required by Law.
- (b) The Contractor acknowledges and understand that in connection with performance under Agreement Contractor may have access to and/or be in possession of confidential information of County ("Confidential Information"). Confidential Information shall mean all information both tangible and intangible information and materials belonging to the County or in the County's possession that are of a confidential or proprietary nature, whether or not marked or identified as such, and are disclosed or made accessible to the Contractor, including, but not limited to:
 - (i) trade secrets, processes, business, financial information and technical information and data, disclosed orally, visually, in writing, electronic media or by any other means;
 - (ii) all non-public information concerning the programs, processes, statistics, research, development, strategic plans, or the like with respect to the operations and activities of the County;
 - (ii) all information concerning the County's computer systems and technology, including, but not limited to, information concerning current and future hardware, software, configurations, operations, networks, computing facilities and locations, processes, research, projects, designs, and specifications;
 - (iv) all non-public information concerning current and/or former County employees, contractors and/or vendors, and members of the public;
 - (v) all information that the County receives from third parties if the County is subject to a duty to keep such information confidential;
 - (vi) all original and copied notes, memoranda, or other records and documentation of the Contractor to the extent relating to, derived from, and/or incorporating any County Confidential Information;

- (viii) all information marked or identified as "confidential" or "proprietary" in written or electronic form when disclosed and/or made accessible to the Contractor or its designee.

Non-Disclosure

- (a) The Contractor shall maintain all County Confidential Information in strict confidence and cause Contractor employees, agents, and subcontractors to maintain County Confidential Information in strict confidence. The Contractor acknowledges and understand that Contractor is obligated to hold in confidence, in the same manner as Contractor holds Contractor's own confidential information of like kind, all Confidential Information to which Contractor may have access under the Agreement; provided that in no event shall the Contractor exercise less than reasonable care to protect the Confidential Information. If necessary to provide services under the Agreement, Contractor may disclose Confidential Information received under this Agreement to employees, subcontractors or agents with a need to know, provided that any Contractor employee, subcontractor or agent is bound to protect such Confidential Information from unauthorized use and disclosure under the terms of a written agreement that is at least as stringent as those of the Contractor's obligations under the Agreement. Confidential Information shall not otherwise be disclosed to any third party without the prior written consent of the County.
- (b) The Contractor acknowledges and understand that Contractor shall not use the Confidential Information for Contractor's own benefit or for the benefit of any third party, except as expressly permitted or directed by authorized County management.
- (c) Except as specifically agreed in writing by the County or agency head, the Contractor shall not disclose any County Confidential Information to any entity outside the United States, or store or transmit any County Confidential Information outside the United States, other than County Confidential Information that is in electronic form and is transmitted or stored on a momentary basis as may be inherent in electronic transmission between locations within the United States.

Compliance with Laws

The Contractor shall comply with all applicable Federal, State and local Laws governing the confidentiality and privacy of Information. As used in this Non-Disclosure Agreement the word "Law" includes any and all statutes, local laws, ordinances, rules, regulations, applicable orders, and/or decrees, as the same may be amended from time to time, enacted, or adopted. In the event of any inconsistency or conflict between the provisions of this NDA and the provisions of applicable Laws governing the confidentiality and privacy of Information (e.g. personal information of County employees), the provisions of applicable Laws shall take precedence.

Exclusions

Excluding that information required by law to be protected, the foregoing shall not prohibit or limit Contractor's use of information (including but not limited to ideas, concepts, know-how, techniques and methodologies) (i) previously known to it, (ii) independently developed by it, (iii) acquired by it from a third party without continuing restriction on use, or (iv) which is, or becomes, publicly available through no breach by it of the Agreement.

Reporting

Contractor shall notify the County of any request for Information or access to Information that is unrelated to the performance or administration of the Agreement.

Ownership

All Information, except the Contractor's proprietary information, to which the Contractor has access is at all times the sole property of the County. The Contractor shall not have any right, title or interest to such material and shall not sell, transfer or otherwise make available to third parties except as provided in this NDA or the Agreement. All reports, notes, memoranda, notebooks, drawings and any other Information developed, received, compiled or delivered to the Contractor, regardless of the source of Information, shall be maintained only for the time necessary to provide services under the Agreement and shall be returned to the County at the termination of the Agreement or destroyed at the direction of the County. Destruction shall be deemed to include the purging of all Information from all equipment and media storage created or used in performance of the Agreement.

Performance

- (a) Except to the extent necessary to provide services under the Agreement and with the consent of the County, the Contractor shall attach or load any additional hardware or software to County equipment. The Contractor shall use only those access rights and shall access only Information authorized by the County.
- (b) The Contractor acknowledges and understand that Contractor shall comply with County's published computer and information security policies and practices which are made available to Contractor.

Assignment.

The Contractor shall not assign or subcontract its obligations under this NDA.

Breach.

The Contractor acknowledges that breach of this NDA shall give rise to irreparable injury that may not adequately be compensable in damages or at law. Accordingly, the Contractor agrees that injunctive relief may be an appropriate remedy in addition to any other remedies that may lie in equity or at law. Additionally, the Contractor shall indemnify and hold harmless the County and its officers, agents and employees from all suits, actions, damages and costs of every name and description arising out of the acts or omissions of the Contractor and/or Contractor's employees, agents or subcontractors in violation of the terms and conditions of this NDA.

IN WITNESS WHEREOF, the parties have executed this Non-Disclosure Agreement as of the date set forth below.

CONTRACTOR: L&M Bus Corporation

By: Joseph Sarno
Name: Joseph Sarno
Title: Senior Vice President
Date: 02-26-2026

COUNTY OF NASSAU

By: _____
Name: _____
Title: _____
Date: _____

Confidentiality Agreement

I Joseph Sgro (insert name), am a (please circle one) subcontractor / agent / employee / director / officer / other _____ of the Contractor **L&M Bus Corporation** (the "Contractor"). I understand that I will be performing services in furtherance of an agreement between the Contractor and Nassau County (the "County") related to the contracted services (the "Agreement"). I understand, acknowledge, and agree that all records, information, and data ("Information") acquired in connection with performance or administration of the Agreement shall be used and disclosed solely for the purpose of performance and administration of the Agreement or as required by law. I agree to reasonably safeguard any Information as to prevent disclosure to any unauthorized person. I understand and agree that the terms of this Confidentiality Agreement shall continue after I am no longer performing services related to the Agreement, and I shall continue to abide by such terms of this Confidentiality Agreement in perpetuity. I understand that failure to comply with these requirements may result in disciplinary action, termination, civil liability, and/or criminal prosecution, as well as any other penalties provided by law. This Confidentiality Agreement shall be governed and construed in accordance with the Laws of New York State.

Joseph Sgro
(Individual's Signature)

Joseph Sgro
(Individual's Printed Name)

L+M Bus Corp.
(Entity for which Individual is an employee or agent)

02-26-2026
(Date)

EXHIBIT A – SCOPE OF SERVICES

DETAILED REQUISITES/SPECIFICATION

SCOPE:

IT IS THE INTENT OF THE COUNTY OF NASSAU TO PROPERLY DESCRIBE BY THESE SPECIFICATIONS, TERMS AND CONDITIONS FOR AN ADEQUATE METHOD OF PROVIDING FOR TRANSPORTATION OF STUDENTS REQUIRING SPECIALIZED TRANSPORTATION TO AND FROM APPROXIMATELY 33 SCHOOLS ON A DAILY BASIS. (THERE ARE APPROXIMATELY 1400 STUDENTS FOR THE AGENCY OR AGENCIES NAMED HEREIN IN ORDER THAT THEY MAY ENJOY UNINTERRUPTED SERVICE IN CONSIDERATION FOR PAYMENT OF THE PRICES BID).

TERM:

THE TERM FOR THIS CONTRACT IS THREE YEARS STARTING 8/1/2026 THROUGH 7/31/2029 WITH THE POSSIBILITY OF ONE, TWO YEAR EXTENSION. ALL EXTENSIONS ARE SUBJECT UPON THE MUTUAL CONSENT OF BOTH PARTIES

DEFINITIONS:

1. THE TERM "DEPARTMENT" AS USED HEREIN SHALL BE DEEMED AS THE DIVISION, BUREAU, OFFICE, AGENCY OF OTHER COUNTY ESTABLISHMENTS AUTHORIZED TO RECEIVE THE SERVICE SPECIFIED HEREIN AND WHO ARE IDENTIFIED BY NAME.
2. TRANSPORTATION MANAGEMENT COMPANY (TMC) IS DEFINED AS THE PROVIDER DESIGNATED BY THE DEPARTMENT TO COORDINATE, OVERSEE AND MONITOR SERVICES ON ITS BEHALF.
3. ZONE AS USED HEREIN IS A TRANSPORTATION SERVICE AREA DEFINED BY THE LOCATION OF A GROUP OF PRIMARY DESTINATION FACILITIES; ZONES ARE NOT DELINEATED BY GEOGRAPHIC BOUNDARIES.
4. DESTINATION FACILITY MEANS THE SCHOOL, AGENCY, OFFICE, LIBRARY OR ANY OTHER LOCATION AT WHICH A CHILD RECEIVES SERVICE(S) UNDER THE EARLY INTERVENTION OR PRESCHOOL PROGRAMS AND TO WHICH A DISABLED CHILD, AND IN SOME INSTANCES A CHILD'S PARENT(S), GUARDIAN(S), NURSE, SIBLINGS(S), OR OTHER AUTHORIZED PERSON MUST BE TRANSPORTED.
5. ROUTE TIME IS DEFINED TO BE THE PERIOD FROM THE TIME THE FIRST CHILD IS PICKED UP FOR THE FIRST SESSION TO THE LAST DESTINATION FACILITY SERVICED BY THE ROUTE. FOR DISMISSAL, ROUTE TIME IS TO BE CALCULATED FROM THE TIME THE BUS LEAVES THE DESTINATION FACILITY TO THE DROP-OFF OF THE LAST CHILD. ROUTES MAY BE STRUCTURED TO REQUIRE THE PICK-UP AND DROP-OFF OF STUDENTS AT MORE THAN ONE DESTINATION FACILITY. ACTUAL TIME VARIANCES FROM SCHEDULED TIME WHICH MAY OCCUR DUE TO TRAFFIC, WEATHER, STUDENT LOADING /UNLOADING AND OTHER CONDITIONS ARE NOT INCLUDED IN ROUTE TIME AND ARE NOT REIMBURSABLE.
6. ONE HOUR ROUTE IS DEFINED AS ONE BUS SCHEDULED TO OPERATE UP TO ONE HOUR OF ROUTE TIME PER DAY.
7. THE TWO HOUR ROUTE IS DEFINED AS ONE BUS SCHEDULED TO OPERATE UP TO TWO HOURS OF ROUTE TIME PER DAY.
8. THE THREE-HOUR ROUTE IS DEFINED AS ONE BUS SCHEDULED TO OPERATE MORE THAN TWO HOURS, BUT NOT EXCEEDING THREE HOURS OF ROUTE TIME PER DAY.
9. THE FOUR HOUR ROUTE IS DEFINED AS ONE BUS SCHEDULED TO OPERATE MORE THAN THREE HOURS, BUT NOT EXCEEDING FOUR HOURS OF ROUTE TIME PER DAY.

10. THE FIVE HOUR ROUTE IS DEFINED AS ONE BUS SCHEDULED TO OPERATE MORE THAN FOUR HOURS, BUT NOT EXCEEDING FIVE HOURS OF ROUTE TIME PER DAY.
11. THE SIX HOUR ROUTE IS DEFINED AS ONE BUS SCHEDULED TO OPERATE MORE THAN FIVE HOURS, BUT NOT EXCEEDING SIX HOURS OF ROUTE TIME PER DAY.
12. THE SEVEN HOUR ROUTE IS DEFINED AS ONE BUS SCHEDULED TO OPERATE MORE THAN SIX HOURS, BUT NOT EXCEEDING SEVEN HOURS OF ROUTE TIME PER DAY.
13. BUS, VAN, OR VEHICLE IS DEFINED AS EQUIPMENT MEETING THE SPECIFICATIONS NOTED IN THIS REQUEST FOR BID/CONTRACT TO BE USED IN TRANSPORTING AUTHORIZED CHILDREN.
14. CHILD, STUDENT IS DEFINED AS ANY CHILD AUTHORIZED BY THE COUNTY TO RECEIVE SERVICES.
15. MONITOR/AIDE MEANS A PERSON ASSIGNED TO A VEHICLE USED FOR SERVICES TO ASSIST A CHILD AND/OR DRIVER AND SHALL INCLUDE A REGULARLY SCHEDULED MONITOR OR SUBSTITUTE MONITOR.

PRICES:

SHALL REMAIN FIRM FOR THE FIRST YEAR OF THE CONTRACT AND NO UPWARD ESCALATION WILL BE PERMITTED. THE PRICES FOR YEARS 2-3 SHALL BE ADJUSTED ANNUALLY ON SEPTEMBER 1ST OF EACH YEAR BY MULTIPLYING THE INITIAL CHARGE IN EACH CATEGORY BY A FRACTION, THE NUMERATOR OF WHICH SHALL BE THE U.S. BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX FOR ALL URBAN CUSTOMERS (C.P.I.U.) FOR THE NY METROPOLITAN AREA FOR MAY OF SUCH YEAR AND THE DENOMINATOR OF WHICH SHALL BE THE INDEX FOR THE ANNUAL INCREASE OR DECREASE AMOUNT MAY BE LOWER THAN THE STIPULATED AMOUNT UPON MUTUAL AGREEMENT.

INSURANCE:

- A. THE CONTRACTOR AGREES TO OBTAIN ALL INSURANCE REQUIRED UNDER THIS AGREEMENT AND TO OBTAIN APPROVAL OF SUCH INSURANCE FROM NASSAU COUNTY PRIOR TO COMMENCEMENT OF WORK UNDER THIS CONTRACT. THE CONTRACTOR SHALL NOT ALLOW ANY SUBCONTRACTOR TO COMMENCE WORK ON HIS SUBCONTRACT UNTIL ALL SIMILAR INSURANCE HAS BEEN OBTAINED BY THE SUBCONTRACTOR AND APPROVED BY NASSAU COUNTY.
- B. INSURANCE COVERAGE SHALL BE PROVIDED BY AN INSURANCE COMPANY LICENSED AS AN "ADMITTED CARRIER" BY THE NEW YORK STATE INSURANCE DEPARTMENT.
- C. INSURANCE COVERAGE SHALL BE EVIDENCED BY A CERTIFICATE OF INSURANCE SUBMITTED IN A FORM ACCEPTABLE TO NASSAU COUNTY "ACCORD" OR OTHER BLANK CERTIFICATES ARE NOT ACCEPTABLE UNLESS ACCOMPANIED BY A LETTER OF TRANSMITTAL FROM THE COMPANY PROVIDING COVERAGE.

SCHOOL CALENDARS:

SCHOOL YEAR

- A. THE CONTRACTOR AGREES TO CONFORM TO THE SEVERAL SCHOOL CALENDARS AND DAILY AND HOURLY TIME SCHEDULES OF THE VARIOUS SCHOOLS INVOLVED. THIS CONTRACT CALLS FOR NO LESS THAN 180 DAYS OF OPERATION DURING THE TEN MONTH SCHOOL PROGRAM AND NO LESS THAN 30 DAYS OF OPERATION FOR THE SUMMER PROGRAM. CALENDARS SHALL BE FURNISHED PRIOR TO EACH SCHOOL OPENING.
- B. IT SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR TO OBTAIN THE SCHOOL CALENDARS OF ALL SCHOOLS COVERED BY THIS CONTRACT FROM THE TRANSPORTATION MANAGEMENT COMPANY (TMC), AND FURTHER TO ADHERE TO THESE CALENDARS AT ALL TIMES UNLESS NOTIFIED BY THE TMC. THIS SHALL INCLUDE ANY SPECIAL SCHEDULES FOR SHORTENED SESSION FOR ALL SCHOOLS COVERED BY THIS CONTRACT.
- C. THE COUNTY OF NASSAU RESERVES THE RIGHT TO CHANGE THE SCHOOL HOURS OF ANY OR ALL GRADES, OR OF ANY OR ALL SCHOOLS AT ANY TIME PRIOR TO THE ISSUANCE OF THE CONTRACT AND AT ANY TIME THEREAFTER. THE COUNTY OF NASSAU RESERVES THE RIGHT TO ADD DESTINATION SCHOOLS AND TO CHANGE DESTINATION SCHOOLS, SCHOOL CALENDARS, STUDENT POPULATION, AND TIME SCHEDULES AS THE NEED MAY ARISE.
- D. THE COUNTY OF NASSAU AND/OR THE TMC MAY PROVIDE THE CONTRACTOR WITH SCHEDULES AND ROUTES FOR THE TRANSPORTATION SERVICE. IT IS ANTICIPATED THAT THE CONTRACTOR WILL GENERALLY PREPARE SCHEDULES AND ROUTES AND SUBMIT SAME FOR REVIEW AND APPROVAL BY THE TMC NO LATER THAN AUGUST 15TH FOR THE FALL SCHOOL PROGRAM AND NO LATER THAN JUNE 15TH FOR THE SUMMER PROGRAM.

SAFETY REGULATIONS:

THE CONTRACTOR SHALL COMPLY WITH ALL NEW YORK STATE, COUNTY AND TOWN RULES AND REGULATIONS. THE CONTRACTOR MUST SECURE THE NECESSARY PERMITS TO RIDE ON THE PARKWAYS. THE CONTRACTOR SHALL COMPLY WITH ALL RULES AND REGULATIONS REGARDING DRIVER, MONITORS, SAFETY DEVICES AND TRAINING OF THE NEW YORK STATE EDUCATION DEPARTMENT AND THE NEW YORK STATE DEPARTMENT OF TRANSPORTATION. THE CONTRACTOR'S ATTENTION IS ESPECIALLY DIRECTED TO THE SAFETY LOAD REQUIREMENTS OF THE APPROPRIATE AGENCIES OF THE STATE OF NEW YORK. THE LEGAL CARRYING CAPACITY OF THE BUS SHALL NEVER BE EXCEEDED. THE CONTRACTOR SHALL COMPLY WITH ANY ADDITIONAL RULES AND REGULATIONS BY THE NYSDOH AND OR CDC THAT MAY BE ENACTED DURING A PUBLIC HEALTH EMERGENCY.

GENERAL SAFETY:

THE SUCCESSFUL CONTRACTOR SHALL SATISFY THE COUNTY OF NASSAU THAT THE STUDENTS SHALL BE CONVEYED SAFELY. THE DUTIES AND OBLIGATIONS IN RELATION THERETO PURSUANT TO THIS CONTRACT SHALL BE PERFORMED FAITHFULLY BY THE SAID CONTRACTOR WHO SHALL, AT ALL TIMES, EXERCISE PROPER SUPERVISION OVER ALL BUS DRIVERS. DEFENSIVE DRIVING SHALL BE TAUGHT TO AND PRACTICED BY ALL DRIVERS OF BUSES UTILIZED TO PROVIDE SERVICE UNDER THIS CONTRACT. THE CONTRACTOR SHALL ALSO IMPRESS UPON THE DRIVERS THAT THEY SHALL COOPERATE WITH THE TMC, THE SCHOOL AUTHORITIES, PUBLIC OFFICIALS AND PARENTS WHO ALSO HAVE RESPONSIBILITY FOR SAFELY TRANSPORTING THE CHILDREN.

SAFETY PRACTICES:

EACH BUS DRIVER MUST OBSERVE THE FOLLOWING RULES OF SAFETY. ANY DRIVER NOT COMPLYING WITH THESE RULES AND OTHER LEGAL MANDATES IS SUBJECT TO DISMISSAL BY THE CONTRACTOR, UPON REQUEST FOR SUCH DISMISSAL BY THE COUNTY OF NASSAU AND/OR THE TMC.

- A. **SCHOOL BUS PASSING LAW:** THE DRIVER SHALL NOT RELY ON ANY MOTORIST TO OBSERVE THE SCHOOL BUS PASSING LAW BUT MUST BE SO CAUTIOUS THAT THE CHILDREN ARE SAFE EVEN IF A MOTORIST VIOLATES THE LAW. IT IS THE DUTY OF EACH DRIVER TO REPORT VIOLATION OF THE SCHOOL BUS PASSING LAW.
- B. **CHILDREN LEAVING THE BUS:** NO CHILD IS PERMITTED TO DISEMBARK FROM THE BUS UNLESS ESCORTED BY A PARENT OR AUTHORIZED ADULT.
- C. IT IS THE DRIVERS RESPONSIBILITY TO BE CERTAIN THAT ALL CHILDREN HAVE LEFT THE BUS AT THE END OF EACH RUN (AT DESTINATION FACILITY OR HOME). CHECK ALL AREAS OF THE VEHICLE FOR SLEEPING CHILDREN.
- D. BUSES ARE PROHIBITED FROM GOING DOWN DEAD-END STREETS, LOOP STREETS, AND CUL-DE-SACS

DRIVERS:

- A. EACH REGULAR OR SUBSTITUTE BUS DRIVER MUST BE NO LESS THAN 21 YEARS OF AGE AND MUST BE IN COMPLIANCE WITH ALL RULES, REGULATIONS AND SECTION OF ARTICLE 19A. IN ADDITION, ALL REGULAR AND SUBSTITUTE DRIVERS MUST BE IN COMPLIANCE WITH AND HAVE A COMMERCIAL DRIVERS LICENSE (CDL) WITH A PASSENGER ENDORSEMENT ("P" ENDORSEMENT). ALL DRIVERS CURRENTLY EMPLOYED BY THE CONTRACTOR MUST HAVE SUCCESSFULLY COMPLETED AN APPROVED 20-HOUR STATE EDUCATION COURSE. ALL DRIVERS HIRED AFTER THE START OF THE CONTRACT MUST BE ENROLLED IN AN APPROVED 20-HOUR STATE ED COURSE WITHIN THE FIRST 20 DAYS OF EMPLOYMENT WITH COMPLETION IN 6 MONTHS.
- B. EACH REGULAR OR SUBSTITUTE BUS DRIVER SHALL BE EXAMINED BY A PHYSICIAN PRIOR TO THE BEGINNING OF SERVICE. AN EXAMINATION TO DETERMINE THE PHYSICAL CONDITION OF EACH DRIVER SHALL BE REPORTED BY THE PHYSICIAN ON A FORM PRESCRIBED BY THE COMMISSIONER OF EDUCATION WHICH COMPLIES WITH THE REQUIREMENTS OF ARTICLE 19A OF THE VEHICLE AND TRAFFIC LAW AND SECTION 156.3 OF THE REGULATIONS OF THE COMMISSIONER OF EDUCATION. SUCH PHYSICAL EXAMINATION SHALL BE CONDUCTED WITHIN FOUR WEEKS PRIOR TO THE BEGINNING OF SERVICE IN EACH SCHOOL YEAR. CONTRACTORS ARE REQUIRED TO PROVIDE A COPY OF SEC. 6.11 & 6.12 OF ARTICLE 19A TO ALL PHYSICIANS USED FOR DRIVERS' PHYSICALS.
- C. EACH REGULAR OR SUBSTITUTE BUS DRIVER MUST SUBMIT AN APPLICATION FOR A POSITION ON A FORM PRESCRIBED BY THE COMMISSIONER OF EDUCATION WHICH COMPLIES WITH THE REQUIREMENTS OF ARTICLE 19A OF THE VEHICLE AND TRAFFIC LAW AND SECTION 156.3 OF THE REGULATIONS OF THE COMMISSIONER OF EDUCATION. THE APPLICATION MUST BE SUBMITTED ANNUALLY TO THE DEPARTMENT/TMC FOR APPROVAL. NO REGULAR OR SUBSTITUTE DRIVER IS TO BE ASSIGNED TO PERFORM ANY PART OF THIS CONTRACT PRIOR TO SUCH APPROVAL BY THE DEPARTMENT/TMC.
- D. EACH REGULAR OR SUBSTITUTE BUS DRIVER MUST SUBMIT AN ANNUAL REPORT OF HIS DRIVING RECORD FOR REVIEW AND APPROVAL BY THE DEPARTMENT/TMC ON A FORM PRESCRIBED BY THE COMMISSIONER OF EDUCATION WHICH COMPLIES WITH THE REQUIREMENTS OF ARTICLE 19A OF THE VEHICLE AND TRAFFIC LAW AND SECTION 156.3 OF THE REGULATIONS OF THE COMMISSIONER OF EDUCATION.
- E. THE CONTRACTOR MUST PROPERLY INVESTIGATE THE ABILITY AND CHARACTER OF ALL BUS DRIVERS (REGULAR AND SUBSTITUTE) AND MUST CERTIFY THEM TO THE DEPARTMENT/TMC. THE INVESTIGATION MUST INCLUDE A CRIMINAL BACKGROUND CHECK AND FINGERPRINTING OF ALL DRIVERS AND MONITORS TO BE UTILIZED IN COMPLIANCE WITH LOCAL LAW 6-1995. THE CONTRACTOR MUST SUBMIT TO THE TMC A COMPLETE LIST OF ALL ACCIDENTS DURING THE PAST THREE YEARS FOR ANY BUS DRIVER TO BE ASSIGNED TO THIS CONTRACT PRIOR TO THE START OF SERVICE IN SEPTEMBER, FOR THE SCHOOL YEAR. SUCH LISTS ARE TO BE PREPARED BY AND ON THE STATIONARY

OF THE CONTRACTOR'S INSURANCE CARRIER.

- F. DRIVING ABSTRACTS MUST BE PROVIDED TO THE TMC BY THE CONTRACTOR, ON EACH DRIVER EMPLOYED BY THE CONTRACTOR FOR HANDICAPPED STUDENT TRANSPORTATION, ON OFFICIAL STATIONERY OF THE MOTOR VEHICLE BUREAU PRIOR TO THE START OF EMPLOYMENT.
- G. DRIVERS SHALL OTHERWISE COMPLY WITH ALL REQUIREMENTS OF ARTICLE 19A AND THE REGULATIONS OF THE COMMISSIONER OF EDUCATION IN ADDITION TO ALL OTHER REGULATIONS OR STATUTES TO WHICH SUCH DRIVER MUST BE SUBJECT. THE COUNTY AND/OR THE TMC RESERVES THE RIGHT TO REJECT OR REQUIRE REPLACEMENT OF DRIVERS WITHOUT BEING LIMITED TO CONSIDERATIONS OF HEALTH AND DRIVING RECORD.
- H. THE CONTRACTOR SHALL MAINTAIN REASONABLE PRECAUTIONS TO SEE THAT HE IS INFORMED AS TO THE ON OR OFF-THE-JOB INVOLVEMENT'S OF EMPLOYEES. SHOULD IT THEREBY COME TO THE ATTENTION OF THE CONTRACTOR THAT ANY EMPLOYEE HAS BEEN, OR IS REPUTED TO HAVE BEEN, INVOLVED IN ANY CRIME OR ACT WHICH MIGHT RAISE ANY DOUBTS AS TO HIS FITNESS FOR WORK WITH CHILDREN, IT SHALL BE THE DUTY OF THE CONTRACTOR TO IMMEDIATELY INVESTIGATE SUCH ACT(S) OR ALLEGATION(S). OF PARTICULAR IMPORTANCE WOULD BE MORAL CRIMES OR AUTOMOBILE ACCIDENTS.
- I. THE CONTRACTOR SHALL REGISTER WITH THE NYS DMV'S BUS DRIVER UNIT (BDU) AS A CONTRACT HOLDER. THE CONTRACTOR SHALL REGISTER ITS COUNTY CONTRACT WITH THE NYSDOH BUREAU OF EI AND CLEAR ALL DRIVERS AND MONITORS THROUGH THE NEW YORK STATE CENTRAL REGISTRY. THE CONTRACTOR MUST RECEIVE A SATISFACTORY RESPONSE BEFORE ANY ROUTES BEGIN. DRIVERS AND MONITORS SHALL BE CLEARED ANNUALLY THEREAFTER.
- J. IT SHALL BE THE DUTY OF A MONITOR TO ASSIST THE DRIVER IN THE SUPERVISION OF THE CHILDREN WHILE THE VEHICLE IS IN TRANSIT. FOR THIS PURPOSE, THE MONITOR SHALL SIT IN THE REAR OF EACH VEHICLE SO THAT STUDENTS ARE FULLY SUPERVISED.
- K. BUS DRIVER SHALL BE REQUIRED TO REPORT TO THEIR SUPERVISORS ANY UNUSUAL INCIDENT OR ANY ACCIDENT WHILE TRANSPORTING STUDENTS TO OR FROM THE DESTINATION FACILITY ON THE DAY THEY OCCUR. THE CONTRACTOR SHALL BE REQUIRED TO SUBMIT A WRITTEN REPORT TO THE TMC ON A FORM PRESCRIBED BY THE COMMISSIONER OF EDUCATION WHICH COMPLIES WITH THE REQUIREMENTS OF ARTICLE 19A OF THE VEHICLE AND TRAFFIC LAW AND SECTION 156.3 OF THE REGULATIONS FOR THE COMMISSIONER OF EDUCATION OR A FORM MUTUALLY AGREED UPON BY THE TMC AND THE CONTRACTOR.
- L. MEDICALS, DRIVER APPLICATIONS, RENEWAL FORMS, IF APPLICABLE, DRIVING RECORDS, CHARACTER REFERENCES, LIST OF ACCIDENTS, AND DRIVING ABSTRACTS MUST BE FILED WITH THE TMC TWO WEEKS PRIOR TO START OF TRANSPORTATION. ALL REPLACEMENT AND SUBSTITUTE DRIVERS' REQUIRED PAPERS, AS OUTLINED ABOVE, MUST ALSO BE FILED WITH THE TMC PRIOR TO THEIR ASSIGNMENT TO ANY CONTRACTED VEHICLE FOR HANDICAPPED STUDENT TRANSPORTATION.
- M. ALL RUNS SHALL HAVE A STEADY DRIVER, VEHICLE, AN APPROVED MONITOR AND A SUFFICIENT AMOUNT OF EXPERIENCED SUBSTITUTES TO COVER BOTH DRIVER AND MONITOR. ALL DRIVERS AND MONITORS SHALL BE INFORMED THAT IN CASE OF AN EMERGENCY AND RADIO CONTACT CANNOT BE MADE, THAT 911 IS TO BE CALLED.
- N. THERE SHALL BE NO PRIVATE AGREEMENTS MADE BETWEEN DRIVERS AND PARENTS THAT MAY ALTER THE ASSIGNED ROUTE. ALL REQUESTS FOR ANY CHANGES SHALL BE MADE THROUGH THE SCHOOL, THE TMC AND THE CONTRACTOR.
- O. IN CASES OF OPEN RUNS (NO DRIVER ASSIGNED OR THE DRIVER LEAVES THE EMPLOY OF THE CONTRACTOR), THE RUN SHALL BE COVERED BY AN EXPERIENCED SUBSTITUTE, WHO WILL REMAIN

ON RUN UNTIL SUCH TIME AS THE NEW DRIVER KNOWS THE RUN THOROUGHLY.

- P. DRY RUNS MUST BE MADE FOR ALL SCHOOLS PRIOR TO OPENING SESSIONS IN SEPTEMBER AND JULY, ALSO WHENEVER A ROUTE CHANGES AFFECTING PICK-UP AND DROP-OFF SCHEDULES, PARENTS/GUARDIANS MUST BE NOTIFIED OF APPROXIMATE PICK-UP TIMES FOR THEIR CHILDREN. A LIST OF PARENT/GUARDIAN NOTIFICATION, WITH TIME, DATE AND SIGNATURE OF PERSON(S) NOTIFIED MUST BE SUBMITTED TO THE TMC FIVE BUSINESS DAYS PRIOR TO THE START OF THE SCHOOL YEAR. IN CASES WHERE DIRECT NOTIFICATION CANNOT BE MADE, TELEPHONE NOTIFICATION MUST BE MADE. THE TIME, DATE AND NAME OF THE PERSON (S) NOTIFIED WILL BE SUBMITTED AS ABOVE, SIGNED BY THE PERSON MAKING SAID NOTIFICATION.
- Q. THE CONTRACTOR MUST CERTIFY THAT ALL DRIVERS ARE DRUG AND ALCOHOL FREE. DRUG AND ALCOHOL TESTING MUST BE ADMINISTERED TO ALL OPERATORS ON THE FOLLOWING BASIS: PRE-EMPLOYMENT, POST ACCIDENT, REASONABLE CAUSE AND RANDOM. THIS CERTIFICATION MUST BE SUBMITTED ON A FORM THAT IS MUTUALLY AGREED ON BY THE TMC AND THE CONTRACTOR.
- R. BASELINE TUBERCULOSIS ASSESSMENT FOR PRE-EMPLOYMENT (BLOOD TEST) UNLESS PREVIOUSLY DOCUMENTED PREVIOUS POSITIVE TEST AND NEGATIVE CHEST X-RAY ON FILE. THEREAFTER, ANNUAL HEALTH SELF-ASSESSMENT THAT INCLUDES TB RISK ASSESSMENT AND SYMPTOM REVIEW SIGNED BY HEALTH CARE PROVIDER.

DUTIES AND CONDUCT OF DRIVERS

- A. DRIVERS SHALL BE FAMILIAR WITH THE VEHICLE AND TRAFFIC LAW, REGULATIONS OF THE COMMISSIONER OF MOTOR VEHICLES AND REGULATIONS OF THE COMMISSIONER OF EDUCATION PERTAINING TO STUDENT TRANSPORTATION.
- B. DRIVERS SHALL BE REQUIRED TO COOPERATE FULLY WITH THE DEPARTMENT/TMC IN ASSURING THAT STUDENTS SHALL COMPLY WITH DEPARTMENT/TMC STANDARDS OF BEHAVIOR AND SHALL REPORT DISCIPLINARY PROBLEMS PROMPTLY TO THE TMC MANAGEMENT OFFICE.
- C. DRIVERS SHALL REPORT ALL ACCIDENTS, CHARGES OF MOTOR VEHICLE INFRACTIONS OR VIOLATIONS OR UNUSUAL SITUATIONS AND OR TRIP INTERRUPTIONS TO THE DEPARTMENT/TMC (ON APPROVED FORMS).
- D. BUS DRIVERS SHALL WEAR A BUS UNIFORM WHICH MAY CONSIST OF A SHIRT, SWEATER OR JACKET.
- E. BUS DRIVERS SHALL NOT SMOKE, EAT, DRINK ANY LIQUID, BE UNDER THE INFLUENCE OF A CONTROLLED SUBSTANCE OR MEDICATION, OR PERFORM ANY ACT, OR CONDUCT THEMSELVES IN ANY MANNER WHICH MAY IMPAIR THE SAFE OPERATION OF A VEHICLE WHILE SUCH VEHICLE IS TRANSPORTING STUDENTS.
- F. ALL VEHICLES MUST BE SECURED IN A BUS YARD AT THE END OF EVERY ROUTE. NO BUSES ARE PERMITTED TO BE TAKEN HOME AT THE END OF THE DAY.
- G. DRIVERS ARE REQUIRED TO BE IN THE BUS DURING THE LOADING AND UNLOADING OF PASSENGERS TO SUPERVISE SUCH LOADING AND UNLOADING. BUSES ARE NEVER TO BE LEFT UNATTENDED ON SCHOOL PROPERTY UNLESS THE IGNITION IS OFF, EMERGENCY BRAKE ON, BUS DOORS CLOSED AND IGNITION KEYS IN DRIVER'S POSSESSION AT ALL TIMES.
- H. DRIVERS ARE REQUIRED TO CHECK ALL SEATS ON THE BUS EVERY TRIP, AFTER UNLOADING STUDENTS, TO ENSURE THAT CHILDREN OR ARTICLES HAVE NOT BEEN LEFT ON THE VEHICLE.

- I. DRIVERS SHALL NOT DISEMBARK FROM THE SCHOOL BUS WHEN CHILDREN ARE INSIDE EXCEPT IN CASE OF EMERGENCY; AND IN SUCH CASE BEFORE LEAVING HIS/HER SEAT THE DRIVER SHALL STOP THE MOTOR, LEAVE THE TRANSMISSION IN PARK, SET THE AUXILIARY BRAKE AND REMOVE THE IGNITION KEY.
- J. DRIVERS OR MONITORS ARE REQUIRED TO ASSIST CHILDREN WHILE EMBARKING AND DISEMBARKING FROM VEHICLE.
- K. DRIVERS OR MONITORS ARE REQUIRED TO BUCKLE OR UNBUCKLE THE CHILDREN'S CAR SEATS AND/OR SEAT BELT.
- L. DRIVERS SHALL ADMIT AND DISCHARGE ONLY AUTHORIZED PASSENGERS AND ONLY AT DESIGNATED BUS STOPS. THEY SHALL COOPERATE FULLY IN ALL STUDENT ACCOUNTING SYSTEMS ESTABLISHED BY THE DEPARTMENT/TMC. CHILDREN OF DRIVERS SHALL NOT BE PERMITTED TO RIDE BUSES UNLESS THEY ARE STUDENTS ASSIGNED TO THE PARTICULAR RUN.
- M. DRIVERS AND/OR MONITORS WILL BE REQUIRED TO KEEP A SEATING CHART AND COMPLETE ACCURATE DAILY ATTENDANCE LOGS AS WELL AS TRANSPORTATION FORMS REGARDING MILEAGE, STUDENTS, TIMES BETWEEN STOPS AND ALL OTHER FORMS AT TIMES AS SHALL BE STIPULATED BY THE DEPARTMENT/TMC.
- N. IF AT ANY TIME, THE CONTRACTOR USES A DRIVER, IN THE PERFORMANCE OF THIS CONTRACT, WHO HAS NOT BEEN APPROVED BY THE DEPARTMENT/TMC PRIOR TO THE START OF SERVICE, THE CONTRACTOR IS LIABLE IN THE SUM OF THREE HUNDRED DOLLARS (\$300.00) FOR EACH RUN DRIVEN BY SAID DRIVER, IN ACCORDANCE WITH SECTION "LIQUIDATED DAMAGES".
- O. A LEAD DRIVER OR LIASON SHALL BE APPOINTED BY THE CONTRACTOR AS THE POINT OF CONTACT FOR ALL COMMUNICATIONS WITH PROVIDER SCHOOLS FOR ALL SESSIONS.

DRIVER TRAINING

EACH BUS DRIVER EMPLOYED BY THE CONTRACTOR SHALL HAVE RECEIVED AT LEAST TWO HOURS OF INSTRUCTION ON SCHOOL BUS SAFETY PRACTICES, INCLUDING TRAINING AND SAFETY PRACTICES RELATED TO A PUBLIC HEALTH CONCERN (I.E. COVID). BEFORE TRANSPORTING STUDENTS. EACH DRIVER OF A VEHICLE TRANSPORTING HANDICAPPED STUDENTS EXCLUSIVELY WHO IS INITIALLY EMPLOYED SUBSEQUENT TO JANUARY 1, 1976, SHALL HAVE RECEIVED AN ADDITIONAL HOUR OF INSTRUCTION CONCERNING THE SPECIAL NEEDS OF A HANDICAPPED STUDENT. DURING THE FIRST YEAR OF EMPLOYMENT, EACH DRIVER SHALL COMPLETE A COURSE OF INSTRUCTION IN SCHOOL BUS SAFETY PRACTICES APPROVED BY THE DEPARTMENT, THAT SHALL INCLUDE TWO HOURS OF INSTRUCTION CONCERNING THE SPECIAL NEEDS OF A HANDICAPPED STUDENT WHICH MAY REQUIRE ALL DRIVERS AND MONITORS TO ATTEND TRAINING SEMINARS CONDUCTED BY EACH SCHOOL THEY SERVICE. ALL SCHOOL BUS DRIVERS SHALL RECEIVE A MINIMUM OF TWO HOURS OF REFRESHER INSTRUCTION IN SCHOOL BUS SAFETY AT LEAST TWO TIMES A YEAR, AT SESSIONS CONDUCTED PRIOR TO THE FIRST DAY OF SCHOOL AND PRIOR TO FEBRUARY 1ST OF EACH YEAR. REFRESHER COURSES FOR DRIVERS OF VEHICLES TRANSPORTING HANDICAPPED STUDENTS EXCLUSIVELY SHALL ALSO INCLUDE INSTRUCTION RELATING TO THE SPECIAL NEEDS OF A HANDICAPPED STUDENT. CONTRACTORS SHALL CONFORM TO ANY CHANGES MADE BY REGULATORY AGENCIES PERTAINING TO THE INSTRUCTION OF BUS DRIVERS, INCLUDING THE CDC AND NYSDOH.

DRIVERS/MONITORS/AIDES ASSIGNMENT

- A. EACH SUCCESSFUL BIDDER SHALL SUBMIT TO THE TMC THE NAMES OF BUS DRIVERS/MONITORS/AIDES, AND THE ROUTE AND BUS NUMBER TO WHICH THEY HAVE BEEN ASSIGNED, PRIOR TO THE START OF SERVICE. THE TMC MUST MEET AND APPROVE EACH BUS DRIVER AND MONITOR.

- B. MONITORS ARE REQUIRED ON EVERY ROUTE AND THE CONTRACTOR SHALL PROVIDE ALL MONITORS, ASSIGNED TO DEPARTMENT ROUTES, A TWO-HOUR SEMINAR WHICH WILL INCLUDE THE SUPERVISION OF HANDICAPPED CHILDREN. THIS SEMINAR MUST MEET THE APPROVAL OF THE DEPARTMENT/TMC AND INCLUDE TRAINING AND SAFETY PRACTICES RELATED TO A PUBLIC HEALTH CONCERN (I.E. COVID). THE MINIMUM AGE OF MONITORS SHALL BE 19 YEARS OLD.
- C. ALL APPROVED MONITORS SHALL START THEIR ASSIGNED ROUTES WITH THE DRIVER AT THE YARD WHERE THE ROUTE ORIGINATES FROM.
- D. IN THE EVENT THAT THE MONITOR/DRIVER TRAINING SEMINARS ARE INCREASED TO MORE THAN TWO HOURS, IT SHALL BE THE CONTRACTOR'S RESPONSIBILITY TO ENSURE THAT ALL MONITORS COMPLY WITH ADDITIONAL TRAINING. IN THE EVENT THAT SCHOOLS WITHIN THE PROGRAM HOLD DRIVER/MONITOR ORIENTATIONS, THE CONTRACTOR MUST COMPLY.
- E. ALL DRIVERS/MONITORS/AIDES MUST BE FINGERPRINTED IN ACCORDANCE WITH LOCAL LAW 6-1995.
- F. ALL DRIVERS/MONITORS/AIDES MUST BE GIVEN AN ANNUAL PHYSICAL UTILIZING THE SAME PROCEDURES AND FORMS REQUIRED FOR DRIVERS UNDER ARTICLE 19A.
- G. BASELINE TUBERCULOSIS ASSESSMENT FOR PRE-EMPLOYMENT (BLOOD TEST) UNLESS PREVIOUSLY DOCUMENTED PREVIOUS POSITIVE TEST AND NEGATIVE CHEST X-RAY ON FILE. THEREAFTER, ANNUAL HEALTH SELF-ASSESSMENT THAT INCLUDES TB RISK ASSESSMENT AND SYMPTOM REVIEW SIGNED BY HEALTH CARE PROVIDER.
- H. THE TMC MAY HAVE APPROXIMATELY TWO MEETING PER YEAR AND ALL DRIVERS/MONITORS/AIDES ARE REQUIRED TO ATTEND.

ROUTES

- A. THE BUS ROUTES AND SCHEDULES, AS MAY BE DISCUSSED IN ANY PART OF THIS BID PROPOSAL OR IN ANY ITEMS INCORPORATED HEREIN, OR ATTACHED HERETO, ARE ONLY TENTATIVE AND THE TMC RESERVES THE RIGHT TO MAKE CHANGES, ADDITIONS, DELETIONS AT ANY TIME AS IT CONSIDERS IN THE BEST INTEREST OF THE STUDENTS SERVED BY THE COUNTY.
- B. TRANSPORTATION OF PARENTS BY THE CONTRACTOR IS STRICTLY PROHIBITED, UNLESS SPECIFICALLY REQUESTED BY THE DEPARTMENT OF HEALTH.
- C. THE CONTRACTOR WILL BE REQUIRED TO PREPARE DAILY BUS SCHEDULES, ROUTING DATA FORMS AND MONTHLY STUDENT ATTENDANCE REPORTS AS REQUIRED, IN ACCORDANCE WITH DIRECTIVES FROM THE TMC.
- D. ADDITIONAL STUDENTS SHALL BE TRANSPORTED WITHIN 72 HOURS OF THE TIME THAT AUTHORIZATION HAS BEEN RECEIVED FROM THE TMC.
- E. IN THE EVENT OF ROUTE CHANGES, THE CONTRACTOR WILL BE REQUIRED TO NOTIFY THE TMC, THE PARENTS AND SCHOOLS INVOLVED NO LESS THAN 24 HOURS PRIOR TO THE START OF SAID CHANGES, AND PROVIDE START DATE, PICK-UP TIME, ROUTE NO. AND BUS NO.
- F. ROUTES SHOULD BE ESTABLISHED SO AS TO BE THE MOST EFFICIENT AND COST EFFECTIVE TO THE COUNTY WHILE STILL PROVIDING SAFE AND RELIABLE SERVICE.

- G. ROUTES MAY BE STRUCTURED TO REQUIRE THE PICK-UP AND DROP-OFF OF STUDENTS AT MORE THAN ONE DESTINATION FACILITY.
- H. CO-MINGLING OF STUDENTS FROM OTHER CONTRACTS IS PROHIBITED.
- I. IN ADDITION, THE CONTRACTOR MUST PROVIDE AS REQUIRED BY THE TMC COMPUTER-GENERATED INFORMATION PERTAINING TO ALL CHILDREN AND ROUTES, INCLUDING STUDENT ALPHA LISTS BY NAME AND SCHOOL SHOWING NAME, ROUTE# (A.M. & P.M.) ADDRESS ETC. ROUTE LIST SHOWING NAME, P/U OR D/O LOCATIONS, DRIVER ASSIGNED ETC. AND ROUTE MAPS. THE FORMAT MUST BE APPROVED BY THE TMC. THE CONTRACTOR MUST INFORM THE TMC WHEN A CHILD IS NOT ON THE BUS FOR 5, 10, 15 AND 20 DAYS CONSECUTIVELY.

EQUIPMENT

EQUIPMENT USED FOR THIS CONTRACT MUST NOT BE MORE THAN SEVEN YEARS OLD DURING ANY SCHOOL YEAR. EXAMPLE; 2022/23 SCHOOL YEAR, 2015 VEHICLE, 2023/24 SCHOOL YEAR, 2016 VEHICLE ETC.

WHEN ORDERING EQUIPMENT FOR THIS CONTRACT THE EQUIPMENT VENDOR MUST CERTIFY IN WRITING THAT THE EQUIPMENT HAS BEEN ORDERED. IF THE ORDER IS CHANGED OR CANCELED THE VENDOR MUST NOTIFY THE TMC IMMEDIATELY.

THE CONTRACTOR SHALL PROVIDE TO THE TMC AS SOON AS POSSIBLE (BUT NOT LATER THAN AUGUST 1, 2026, A LIST OF THE VEHICLES TO BE USED TO FULFILL THE CONTRACT. THIS LIST SHALL BE REVISED, BY THE CONTRACTOR, DURING THE DURATION OF THE CONTRACT AS ROUTES ARE ADDED. SUCH LISTS SHALL INCLUDE MAKE, YEAR, AND APPROVED SEATING CAPACITY.

SHOULD THERE BE A NEED FOR INTERIM OR SUBSTITUTE EQUIPMENT AT ANY TIME DURING THE TERM OF THIS AGREEMENT, SUCH SUBSTITUTE EQUIPMENT MUST BE APPROVED BY THE TMC AND THE COUNTY PRIOR TO USE BY THE CONTRACTOR (VEHICLE SPECIFICATIONS).

VEHICLE SPECIFICATIONS

THE VANS AND WHEELCHAIR VANS USED IN THIS CONTRACT MUST BE MODEL YEAR 2019 OR NEWER, SEAT 12 ADULTS/16 CHILDREN (EXCEPT W/C VANS WHICH SHALL ACCOMMODATE 4 WHEELCHAIR AND A MINIMUM OF 4 AMBULATORY FORWARD FACING AND SHALL MEET OR EXCEED N.Y.S. DEPARTMENT OF TRANSPORTATION, FEDERAL, N.Y.S. EDUCATION COMMISSIONER, LOCAL AND COUNTY REQUIREMENTS.

ALL VEHICLES USED FOR THIS CONTRACT MUST HAVE A FRONT AND REAR AIR CONDITIONING SYSTEM OR A REAR AIR CONDITIONING SYSTEM WITH A/C DUCTS IN THE FRONT AND REAR OF THE VEHICLE FOR EQUAL DISTRIBUTION OF THE COLD AIR. THE SYSTEM USED MUST BE A TOTAL MINIMUM B.T.U.'S OF 38, 000 A/C SYSTEMS MUST BE FULLY OPERATIONAL FROM APRIL 1ST – NOVEMBER 1ST.

- A. ALL VEHICLES TO BE USED AND ALL TRANSPORTATION OPERATIONS MUST COMPLY WITH THE REGULATIONS OF THE NEW YORK STATE DEPARTMENT OF EDUCATION, THE NEW YORK STATE DEPARTMENT OF TRANSPORTATION, THE NEW YORK STATE DEPARTMENT OF MOTOR VEHICLES, AS WELL AS COMPLY WITH AND SATISFY ALL STATE OF NEW YORK AND LOCAL GOVERNMENTS THAT ARE DEEMED TO BE APPLICABLE TO THIS CONTRACT BY THE DEPARTMENT AND SHALL MEET ALL THE 1977 FEDERAL SAFETY STANDARDS AS REFLECTED IN TITLE 49 CODE OF FEDERAL REGULATIONS 571, AND SPECIFICALLY STANDARDS NO. 105,111, 217, 220, 221, 222A AND 301 AND IN LINE WITH GUIDANCE FROM THE CDC AND NYSDOH, MUST BE DISINFECTED AT A MINIMUM, AFTER EACH USE. SPARE VEHICLES AS

IDENTIFIED IN THE R.F.B. MUST ALSO COMPLY WITH THE ABOVE.

- B. ALL BUSES MUST BE PAINTED NATIONAL SCHOOL BUS CHROME YELLOW.
- C. ALL BUSES SHALL BE IDENTIFIED IN ACCORDANCE WITH EXISTING RULES, REGULATIONS AND LAWS OF THE STATE OF NEW YORK.
- D. EVERY VEHICLE OPERATING UNDER THIS CONTRACT WILL CONFORM TO STATE DEPARTMENT OF TRANSPORTATION REGULATIONS AND CARRY AN APPROVED FIRST AID KIT INCLUDING BODY FLUID KIT AND GLOVES, FIRE EXTINGUISHER AND SEAT BELT CUTTER REGARDLESS OF VEHICLE CAPACITY.
- E. VEHICLES USED TO FULFILL THIS CONTRACT SHALL HAVE ON THE RIGHT-SIDE PASSENGER WINDOW A SIGN CONTAINING THE ROUTE NUMBER OF THE BUS OR THE DESTINATION (HOME/SCHOOL) THAT THE BUS IS SERVING. SPECIFIC INSTRUCTIONS WILL BE GIVEN TO THE CONTRACTOR FOR EACH ROUTE BY THE TMC.
- F. ALL VEHICLES (INCLUDING SPARES) MUST BE EQUIPPED WITH A FLAG SYSTEM OR ELECTRONIC NOTIFICATION SYSTEM THAT IDENTIFIES WHEN CHILDREN ARE ON BOARD AND WHEN THE BUS IS EMPTY. SUCH SYSTEM MUST BE APPROVED BY THE TMC PRIOR TO IMPLEMENTATION.
- G. ALL VEHICLES MUST BE CLEAN INSIDE AND OUTSIDE. EXTERIORS MUST BE WASHED AT LEAST ONCE A WEEK AND INTERIORS SWEEPED DAILY.

GPS ENABLED VEHICLE SYSTEM RECOMMENDED

- A. ALL VEHICLES MUST BE EQUIPPED WITH A GPS (GLOBAL POSITIONING SYSTEM) ENABLED VEHICLE TRACKING SYSTEM. THIS SYSTEM SHOULD PROVIDE ACCURATE, HISTORICAL, REAL TIME VEHICLE LOCATION AND ROUTE DATA. THIS SYSTEM SHOULD HAVE THE ABILITY TO GENERATE REPORTS AS REQUESTED BY THE COUNTY OR THE TMC.
- B. THE CONTRACTOR IS REQUIRED TO GIVE THE TMC FULL AND TOTAL REMOTE AUTHORIZED ACCESS TO THE GLOBAL POSITIONING SYSTEM FOR THE PURPOSE OF MONITORING VEHICLE MOVEMENTS IN REAL TIME. ACCESS TO THE GPS SYSTEM SHALL BE MAINTAINED BY THE CONTRACTOR AT THE CONTRACTOR'S EXPENSE WITH NO ADDITIONAL COST TO THE COUNTY OR THE TMC.

VIDEO CAMERA SYSTEM

ALL VEHICLES MUST BE EQUIPPED WITH A VIDEO IMAGING SYSTEM AND WORKING AUDIO SYSTEM. THE SYSTEM WILL BE PLACED IN A POSITION THAT WILL RECORD IMAGES AND SOUND OF ALL ACTIVITY IN THE INTERIOR OF THE BUS CABIN AS WELL AS VIEWING THE ROADWAY AHEAD OF THE BUS (FORWARD FACING), WHEN THE BUS IS IN SERVICE. ALL RECORDINGS WILL BE STORED FOR 6 MONTHS AND KEPT AVAILABLE FOR VIEWING AND LISTENING AT THE REQUEST OF THE COUNTY OR THE TMC. THE VIDEO AND AUDIO RECORDING SYSTEM WILL BE MAINTAINED BY THE CONTRACTOR AT THE CONTRACTOR'S EXPENSE WITH NO ADDITIONAL COST TO THE COUNTY. IF A VIDEO IS REQUESTED, IT MUST BE SENT WITHIN 24 HOURS.

SPARE VEHICLES

- A. ALL SPARE VEHICLES TO BE USED IN THE PERFORMANCE OF THE CONTRACT SHALL MEET THE VEHICLE SPECS AND REQUIREMENTS SET FORTH IN THIS BID.
- B. SPARE VEHICLES IN THE AMOUNT OF 10% OF FLEET TOTAL SHALL BE PROVIDED TO ENSURE 100 PERCENT COVERAGE AT ALL TIMES, AND RESPONSE TIME OF NO MORE THAN 30 MINUTES IN THE EVENT OF BREAKDOWNS. THESE SPARE VEHICLES MUST BE THE SAME NEW MODEL YEAR AS THE DAILY FLEET.

VEHICLE BREAKDOWN AND ACCIDENTS

- 1. IN THE CASE OF A VEHICLE BREAKDOWN ON THE WAY TO THE DESTINATION FACILITY, THE DRIVER SHALL NOTIFY THE CONTRACTOR WHO, IN TURN, SHALL NOTIFY THE TMC IMMEDIATELY AND ALL PARENTS OF CHILDREN ON THAT ROUTE. IF THE BREAKDOWN OCCURS AFTER SCHOOL CLOSING TIME, THE CONTRACTOR IS TO NOTIFY THE TMC BY TELEPHONE OF THE DELAY AND ALL PARENTS OF CHILDREN REMAINING ON THE VEHICLE.
- 2. THE CONTRACTOR MAY NOT UNILATERALLY EXCLUDE A STUDENT FROM TRANSPORTATION.
- 3. EXCEPT IN AN EMERGENCY, OR WHEN SCHEDULED BY THE DEPARTMENT OR TMC, NO STUDENT WILL BE REQUIRED TO TRANSFER FROM ONE VEHICLE TO ANOTHER ON THE TRIP EITHER TO OR FROM THE DESTINATION FACILITY.

ALL ACCIDENTS INVOLVING STUDENTS ON A VEHICLE, OR IN BOARDING OR LEAVING A VEHICLE, AND ALL OTHER ACCIDENTS SHALL BE HANDLED AS FOLLOWS:

- A. THE DRIVER WILL CALL DISPATCH AND DISPATCH WILL NOTIFY 911 AND REQUEST POLICE AND AMBULANCE SERVICE.
- B. THE CONTRACTOR SHALL IMMEDIATELY NOTIFY BY TELEPHONE, THE TMC OF THE LOCATION, EXTENT OF THE ACCIDENT, NAMES OF STUDENTS INVOLVED WITH A DESCRIPTION OF THEIR INJURIES, RUN NUMBER, BUS NUMBER AND SCHOOLS AFFECTED.
- C. THE CONTRACTOR SHALL CONTACT PARENTS AND PROVIDE THEM WITH INFORMATION ON THEIR CHILDREN.
- D. THE CONTRACTOR SHALL PREPARE ACCIDENT REPORTS FOR THE STATE DEPARTMENT OF MOTOR VEHICLES, STATE DEPARTMENT OF EDUCATION, MANAGEMENT OFFICE AND THEIR INSURANCE COMPANY, WITHIN 24 HOURS, USING APPROPRIATE FORMS.

SCHEDULING OF VEHICLES

THE CONTRACTOR SHALL PREPARE THE RUN TO BE TRAVELED BY EACH BUS AND THE TIME SCHEDULE BASED UPON THE AUTHORIZED STOPS PROVIDED TO THE CONTRACTOR BY THE DEPARTMENT OR THE TMC. THE CONTRACTOR SHALL SCHEDULE BUSES SO AS TO PROVIDE THE MOST EFFICIENT AND COST-EFFECTIVE UTILIZATION OF EACH VEHICLE.

EMERGENCY DRILLS ON SCHOOL BUSES

THE EMERGENCY DRILLS ON SCHOOL BUSES REQUIRED BY SECTION 3523 OF THE N.Y. STATE EDUCATION LAW SHALL INCLUDE PRACTICE AND INSTRUCTION IN THE LOCATION, USE AND OPERATION OF THE EMERGENCY DOOR, FIRE EXTINGUISHERS, AXE, FIRST AID EQUIPMENT AND WINDOWS AS A MEANS OF ESCAPE IN CASE OF FIRE OR ACCIDENT. THEY SHALL INCLUDE EMERGENCY SITUATIONS WHICH MIGHT RESULT FROM BOTH FIRE AND ACCIDENTS. SUCH INSTRUCTIONS AND THE CONDUCT OF THE DRILLS SHALL BE GIVEN BY THE CONTRACTOR AS REQUIRED BY LAW.

A MINIMUM OF THREE SUCH EMERGENCY DRILLS SHALL BE HELD ON EACH SCHOOL BUS AT EACH SCHOOL DURING THE SCHOOL YEAR; THE FIRST TO BE CONDUCTED DURING THE FIRST WEEK OF THE FALL TERM, THE SECOND PRIOR TO JANUARY 1ST AND THE THIRD PRIOR TO MAY 1ST.

NO EMERGENCY DRILLS SHALL BE CONDUCTED WHEN BUSES ARE ON ROUTES.

IN ORDER TO FACILITATE VARIOUS PROGRAMS OF BUS EMERGENCY DRILLS, THE CONTRACTOR SHALL SUPPLY, AT NO ADDITIONAL COST, VEHICLES AND DRIVERS TO BE AVAILABLE AT VARIOUS SCHOOL BUILDING LOCATIONS OUTSIDE OF THE REGULARLY SCHEDULED TIMES. THE CONTRACTOR SHALL CERTIFY TO THE DEPARTMENT/TMC ANNUALLY THAT CONTRACTOR HAS COMPLIED WITH THESE REGULATIONS.

CAR SEATS, SAFETY VESTS, WHEELCHAIR HOOKUPS AND HARNESES

THE CONTRACTOR SHALL PROVIDE ONE CAR SEAT OF APPROPRIATE SIZE, SAFETY VEST OR WHEELCHAIR HOOKUP, AS APPLICABLE, PER CHILD AS REQUESTED. ALL SUCH EQUIPMENT MUST MEET OR EXCEED ALL FEDERAL, STATE AND LOCAL LAWS. SHOULD THE NEED ARISE FOR A SPECIALIZED CAR SEAT, SAFETY VEST OR HARNESS PROVIDING SUCH SPECIALIZED EQUIPMENT SHALL BE THE RESPONSIBILITY OF THE PARENT. THE CONTRACTOR SHALL NOT USE A HARNESS WITHOUT THE AUTHORIZATION FROM THE COUNTY OR THE TMC.

IDENTIFICATION

DRIVERS AND MONITORS SHALL WEAR PHOTO IDENTIFICATION BADGES SUPPLIED BY THE CONTRACTOR.

FACILITIES AND MAINTENANCE

- A. THE CONTRACTOR SHALL HAVE AN OPERATIONS FACILITY WITH (OR OBTAINED PRIOR TO AUGUST 1, 2021) SUFFICIENT STORAGE AND ACCESS TO MAINTENANCE FACILITIES WITH SUFFICIENT EQUIPMENT AND TRAINED PERSONNEL TO SATISFY THE NEW YORK STATE DEPARTMENT OF TRANSPORTATION, OR ANY SUCCESSOR OR SUPERSEDING AGENCY REQUIREMENTS. THE FACILITIES SHALL BE SUBJECT TO PERIODIC INSPECTION AND APPROVAL BY THE TMC AND THE DEPARTMENT DURING THE PERIOD OF THE CONTRACT.
- B. THE CONTRACTOR SHALL OPERATE A PROGRAM OF PREVENTATIVE MAINTENANCE FOR EVERY VEHICLE IN ACCORDANCE WITH N.Y. STATE DEPARTMENT OF TRANSPORTATION REQUIREMENTS AND WHICH MEETS THE APPROVAL OF THE DEPARTMENT/TMC AND SHALL MAINTAIN RECORDS AS EVIDENCE THAT THE VEHICLES ARE RECEIVING ACCEPTABLE PERIODIC MAINTENANCE.
- C. THE CONTRACTOR WILL WITHDRAW FROM SERVICE ANY VEHICLE WHICH IN THE OPINION OF THE INSPECTORS OF THE TMC, PRESENTS A HAZARD TO THE SAFE TRANSPORTATION OF STUDENTS, AND REPLACE IT WITH A VEHICLE WHICH IN THE OPINION OF THE INSPECTORS MEETS THE SAFETY STANDARDS OF THIS CONTRACT FOR THE SAFE TRANSPORTATION OF STUDENTS.
- D. BUSES MUST BE KEPT IN EXCELLENT MECHANICAL CONDITION AND MUST BE KEPT CLEAN BOTH INSIDE AND OUT, BUT SPECIFICATION OF THESE ITEMS DOES NOT EXCLUDE OTHER CRITERIA, WHICH MAY BE USED BY THE DEPARTMENT TO DETERMINE THE ACCEPTABILITY OF A BUS. IN ANY EVENT,

ALL BUSES SHALL BE OPEN TO INSPECTION BY THE DEPARTMENT/TMC, ITS AGENTS OR ITS DULY AUTHORIZED REPRESENTATIVES DURING SCHOOL HOURS OR AT REASONABLE TIMES WITHOUT APPOINTMENT.

- E. ALL SEASON TIRES ARE TO BE PUT ON ALL VEHICLES. NO RE-GROOVED OR RECAPPED TIRES WILL BE ACCEPTED.
- F. THE DEPARTMENT AND/OR THE TMC RESERVES THE RIGHT TO INSPECT, OR TO HAVE ITS AUTHORIZED REPRESENTATIVE INSPECT, THE CONTRACTOR'S MAINTENANCE RECORDS AND MAKE ANY OTHER CHECKS AND INSPECTIONS THE DEPARTMENT/TMC DEEMS ADVISABLE OR NECESSARY TO ASSURE MAXIMUM SAFETY AND EFFICIENT OPERATION OF THE CONTRACTOR'S EQUIPMENT.
- G. THE FACILITY MUST INCLUDE THE DISPATCH AND MANAGEMENT STAFF REQUIRED FOR THIS CONTRACT AND HAVE A MINIMUM OF TWO DIRECT PRIVATE DISPATCH PHONES FOR THIS CONTRACT ONLY. IF THE CONTRACTOR USES MORE THAN ONE DISPATCH OFFICE, YARD LOCATION, AND ADDITIONAL DIRECT PRIVATE PHONE LINES WILL BE REQUIRED TO BE INSTALLED. ALL COSTS RELATED TO THE INSTALLATION, MAINTENANCE AND MONTHLY EXPENSE FOR SHALL BE PAID BY THE CONTRACTOR.
- H. THE CONTRACTOR SHALL ABIDE BY THE REQUIREMENTS OF CONFIDENTIALITY OF CHILDREN'S RECORDS AS PROVIDED UNDER THE FAMILY EDUCATION RIGHT AND PRIVACY ACT (FERPA) AND THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT (IDEA) WHEN DISSEMINATING INFORMATION TO DRIVERS AND DRIVER'S ASSISTANTS AND OTHER STAFF MEMBERS. THE CONTRACTOR SHALL ALSO PROVIDE THE NECESSARY TRAINING OR INSTRUCTION TO ALL THE APPROPRIATE PERSONNEL FOR RELATING TO THE CONFIDENTIALITY REQUIREMENTS. THE CONTRACTOR SHALL COMPLY WITH THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA).
- I. THE BIDDER MUST POSSESS AND DEMONSTRATE FACILITIES, KNOWLEDGE, AND CAPABILITIES TO SATISFY ALL NEW YORK STATE DEPARTMENT OF TRANSPORTATION RULES, REGULATIONS AND VEHICLE INSPECTION REQUIREMENTS. THE BIDDER SHALL PROVIDE A COPY OF THEIR NYS DOT BUSNET SUMMARY AND PROFILE (WHICH MUST BE 90% OR HIGHER) FOR THE ENTIRE COMPANY FOR THE PREVIOUS THREE YEARS AS PART OF THEIR BID PACKAGE. THE SUCCESSFUL BIDDER SHALL PROVIDE THE COUNTY AND/OR THE TMC WITH THE BUSNET REPORTS EVERY THREE MONTHS THEREAFTER OR UPON REQUEST.
- J. THE CONTRACTOR MUST PROVIDE AND MAINTAIN A FULL-TIME, ON-SITE TERMINAL MANAGER AND A FULL-TIME DISPATCHER WITH RESPONSIBILITY FOR SCHEDULING, ROUTING AND ON-ROAD SAFETY REVIEW AND SUPERVISE THE WORK CONTRACTED FOR.
- K. THE CONTRACTOR MUST HAVE ALL THE NECESSARY PERMITS AND CERTIFICATES OF OCCUPANCY FOR THE BUS YARDS AND MUST COMPLY WITH ALL ENVIRONMENTAL REQUIREMENTS.
- L. THE BIDDER SHALL SUBMIT, AT THE TIME OF THE INITIAL BID AND IF SUCCESSFUL, FOR EACH CONTRACT YEAR THEREAFTER, A COPY OF ITS MOST RECENT AFFIDAVITS OF COMPLIANCE (DS-3) IN ACCORDANCE WITH ARTICLE 19-A OF THE VTL.

EXPERIENCE

THE BIDDER SHALL, TOGETHER WITH HIS BID, FURNISH A STATEMENT INDICATING THE EXTENT AND TYPE OF SCHOOL BUS TRANSPORTATION OR OTHER KINDS OF BUS TRANSPORTATION EXPERIENCE AND ALSO SUBMIT AS REFERENCES THE NAMES OF SCHOOL DISTRICTS AND PRIVATE AND PAROCHIAL SCHOOLS PREVIOUSLY OR PRESENTLY SERVED, AS WELL AS THE DATES OF SUCH SERVICES WHICH HE MAY HAVE PROVIDED.

THE BIDDER MUST HAVE A MINIMUM OF 10 YEARS EXPERIENCE IN PROVIDING SPECIAL EDUCATION TRANSPORTATION FOR BIRTH TO FIVE YEAR OLDS WITH A CONTRACT EQUAL TO OR GREATER THAN THE TOTAL NUMBER OF VEHICLES LISTED IN THE ZONE BID.

INTERRUPTION OF SERVICE/FORCE MAJEURE

IN THE EVENT OF AN INTERRUPTION OF SERVICE CAUSED BY CONTRACTOR, ITS AGENTS OR ITS EMPLOYEES, THE COUNTY SHALL HAVE THE RIGHT TO SECURE SUCH OTHER TRANSPORTATION AS MAY BE NECESSARY. INTERRUPTION OF SERVICE SHALL BE DEEMED TO INCLUDE STRIKES. IF THE COST TO THE COUNTY FOR SECURING ALTERNATIVE SERVICE SHALL EXCEED THE AGREEMENT COST THAT WOULD OTHERWISE BE PAYABLE TO CONTRACTOR HEREUNDER, THE EXCESS SHALL BE CHARGED TO CONTRACTOR; ANY DAMAGES TO COUNTY SHALL BE COMPUTED AS PER THIS AGREEMENT IF OTHER TRANSPORTATION CANNOT BE SECURED.

CANCELLATION OF CONTRACT

FAILURE TO ADHERE TO AND COMPLY WITH THE TERMS OF THIS CONTRACT WILL BE CAUSE FOR CANCELLATION UPON 30 DAYS WRITTEN NOTICE BY THE COUNTY TO THE CONTRACTOR. SAID NOTICE SHOULD BE GIVEN BY CERTIFIED MAIL. THE ORIGINAL CONTRACTOR WILL INDEMNIFY THE COUNTY FOR ANY AND ALL COST INCURRED IN SECURING A NEW CONTRACT.

PAYMENT OF CLAIMS

- A. ALL STANDARD COUNTY CLAIM VOUCHER FORMS, CERTIFIED TO BY THE CONTRACTOR AND SUPPORTED BY DETAILED STATEMENT WHICH INCLUDE UP-TO-DATE ROUTE SHEETS FOR EACH VEHICLE AND THE NAMES OF THE CHILDREN TRANSPORTED ON EACH BEHICLE, SHALL BE SUBMITTED MONTHLY BY CONTRACTOR TO THE TMC. FEE CHARGES SHALL BE IN ACCORDANCE WITH THE BID PRICES ATTACHED HERETO. ADDITIONAL SUPPORTING INFORMATION MAY BE REQUIRED FROM TIME TO TIME.
- B. PAYMENT WILL BE MADE BY THE COUNTY MONTHLY IN ARREARS UPON AUDIT AND APPROVAL OF THE CLAIM VOUCHER FORMS BY DEPARTMENT AND THE OFFICE OF THE COMPTROLLER OF THE COUNTY. PAYMENT OF CLAIM VOUCHERS SUBMITTED FOR PAYMENT WITH INCOMPLETE DOCUMENTATION WILL BE DELAYED AND THE CLAIM VOUCHERS RETURNED TO THE CONTRACTOR FOR AMENDMENT.
- C. IN THE EVENT THAT THE DEPARTMENT DEEMS IT NECESSARY TO DECREASE OR INCREASE THE NUMBER OF BUSES USED, THE COST OF THE CONTRACT WILL BE INCREASED OR DECREASED ACCORDINGLY BY 1/10th (10 PERCENT OF THE YEARLY PRICE) FOR EACH WHOLE CALENDAR MONTH REMAINING ON THE SCHOOL YEAR FOR WHICH THE BUS IS USED, PLUS (IF NECESSARY), 1/180th OF THE YEARLY PRICE FOR EACH DAY THAT SCHOOL IS IN SESSION FOR THE REMAINDER OF THE THEN CURRENT MONTH IN WHICH THE CHANGE WAS EFFECTED.
- D. IN THE EVENT OF A CATASTROPHIC EVENT WHICH CAUSES AN INTERRUPTION OF TRANSPORTATION SERVICE FOR MORE THAN 17.5 CONSECUTIVE SCHOOL DAYS WITHIN A MONTH'S TIMEFRAME, THE CONTRACTOR WILL BE REIMBURSED FOR ITS FIXED COSTS ONLY, WHICH WILL BE 35% OF THE PREVIOUS MONTH OF SERVICE.

COPIES OF LAWS

THE CONTRACTOR SHALL ACQUIRE AND MAINTAIN COPIES OF ALL LAWS, RULES AND REGULATIONS OF ALL AGENCIES FEDERAL, STATE OR LOCAL WHICH ARE CONCERNED WITH THE OPERATION AND MAINTENANCE OF SCHOOL BUSES AND THE TRANSPORTATION OF CHILDREN WITH DISABILITIES FROM BIRTH THROUGH FIVE.

CONTRACT NON-ASSIGNABLE

THE CONTRACT FOR TRANSPORTATION OR ANY RIGHT, TITLE, OR INTEREST THEREIN MAY NOT BE ASSIGNED BY THE CONTRACTOR WITHOUT THE APPROVAL OF THE COUNTY. THE CONTRACTOR MAY NOT ENGAGE

SUBCONTRACTORS, HIRE OTHERS TO PERFORM ALL OR PART OF ITS AGREEMENT, NOR OTHERWISE DELEGATE ITS OBLIGATIONS TO PERFORM UNDER THE CONTRACT, UNLESS APPROVED BY THE COUNTY.

RADIO EQUIPMENT

- A. TWO WAY RADIO SYSTEM SHALL BE REQUIRED, WITH EVERY VEHICLE (INCLUDING SPARE VEHICLES) HAVING A WORKING TWO WAY RADIO AT ALL TIMES. RADIOS SHALL BE PROVIDED BY THE CONTRACTOR AT NO ADDITIONAL COST TO THE DEPARTMENT (SUCH RADIOS SHALL BE RETURNED TO THE CONTRACTOR AT THE END OF THE CONTRACT). RADIO SYSTEM SHALL BE OBTAINED AND MAINTAINED BY THE CONTRACTOR AT THE CONTRACTOR'S EXPENSE.
- B. TWO-WAY RADIOS WILL BE APPROVED AND LICENSED BY THE F.C.C., OPERATED ON ASSIGNED FREQUENCIES AND HAVE SUCH RANGE THAT THE BASE STATION CAN CONTACT ANY VEHICLE ANYWHERE WITHIN THE LIMITS OF THE OPERATING AREA. CITIZEN BAND (CB) RADIOS OR CELLULAR TELEPHONES MAY NOT BE USED IN PLACE OF TWO-WAY APPROVED RADIOS.
- C. DRIVERS SHALL REMAIN IN RADIO CONTACT WITH THE DISPATCHER'S OFFICE AT ALL TIMES WHEN BUSES ARE IN SERVICE.

RECORDS AND AUDIT

CONTRACTOR SHALL MAINTAIN FULL AND COMPLETE BOOKS AND RECORDS OF ACCOUNT IN ACCORDANCE WITH ACCEPTED ACCOUNTING PRACTICES AND SUCH OTHER RECORDS AS MAY BE PRESCRIBED BY THE DEPARTMENT AND COMPTROLLER OF THE COUNTY OF NASSAU. SUCH BOOKS AND RECORDS SHALL BE RETAINED BY CONTRACTOR FOR A PERIOD OF SIX YEARS FROM THE DATE OF FINAL PAYMENT UNDER THIS AGREEMENT AND SHALL AT ALL REASONABLE TIMES BE AVAILABLE FOR AUDIT AND INSPECTION BY THE DEPARTMENT, THE COMPTROLLER OF THE COUNTY OF NASSAU AND THE NEW YORK STATE DEPARTMENT OF AUDIT AND CONTROL.

LIQUIDATED DAMAGES

- A. IN VIEW OF THE DIFFICULTY OF ASCERTAINING THE LOSS WHICH THE COUNTY WOULD SUFFER BY REASON OF THESE DEFAULTS ON THE PART OF THE CONTRACTOR, THE FOLLOWING SUMS ARE HEREBY AGREED UPON, FIXED AND DETERMINED BY THE PARTIES HERETO AS THE LIQUIDATED DAMAGES THE COUNTY WILL SUFFER BY REASON OF SAID VIOLATION OF CONTRACT AND NOT BY WAY OF PENALTY, AND SUCH LIQUIDATED DAMAGES MAY BE IMPOSED UPON THE FINDING OF THE COUNTY AND/OR THE TMC ITS DESIGNEE THAT A CONTRACT PROVISION HAS BEEN VIOLATED.
- B. VIOLATIONS SHALL BE REVIEWED MONTHLY BY THE TMC AND A REPRESENTATIVE OF THE CONTRACTOR. SHOULD A DISPUTE ARISE AS TO THE ASSESSMENT OF A VIOLATION(S), THE MATTER WILL BE ARBITRATED BY A REPRESENTATIVE OF THE DEPARTMENT OF HEALTH, WHOSE DECISION SHALL BE FINAL AND BINDING.
- C. A \$1,000.00 DOLLAR FINE WILL BE ASSESSED FOR EACH OCCURRENCE OF A CHILD BEING LEFT UNATTENDED ON A VEHICLE. THE COUNTY RESERVES THE RIGHT TO CANCEL THE CONTRACT IF A CHILD IS LEFT UNATTENDED ON A VEHICLE.
- D. LIQUIDATED DAMAGES MAY BE ASSESSED FOR EVERY VEHICLE, FOR EVERY DAY, AND FOR EVERY INSTANCE OF THE VIOLATION IN THE AMOUNTS NOTED BELOW. THE COST PER BUS PER DAY SHALL BE DEDUCTED FROM SUBSEQUENT PAYMENTS DUE THE CONTRACTOR FOR EACH DAY EACH OF THE FOLLOWING VIOLATIONS OF THE CONTRACT OCCURS:

FAILURE TO PROVIDE SERVICES ON A DAY ON WHICH SCHOOLS ARE REQUIRED TO BE OPEN BY THE OFFICIAL SCHOOL CALENDARS.

FAILURE TO CONFORM TO THE ARRIVAL AND DISMISSAL SCHEDULES OF THE SCHOOLS SERVICED, AS NOTIFIED BY THE DEPARTMENT/TMC.
FAILURE TO ADHERE TO ANY SPECIAL SCHEDULES, OR SHORTENED AND LENGTHENED SCHEDULES, OF THE SCHOOLS SERVICES.

FAILURE TO PROVIDE ALL THE VEHICLES NECESSARY TO DO ALL OF THE WORK CONTRACTED FOR.

FAILURE TO COMPLY WITH THE REGULATIONS OF THE NEW YORK STATE DEPARTMENT OF EDUCATION, TRANSPORTATION AND MOTOR VEHICLES AS WELL AS WITH ANY AND ALL LAWS AND REGULATIONS OF ANY AGENCY OF THE FEDERAL GOVERNMENT, STATE OF NEW YORK, CITY OF NEW YORK OR COUNTY OF NASSAU.

FAILURE TO COMPLY WITH THE VEHICLE STANDARDS AS SET FORTH IN THIS CONTRACT.

FAILURE OF ANY VEHICLE TO HAVE A CURRENT AND EFFECTIVE DEPARTMENT OF TRANSPORTATION CERTIFICATION.

ASSIGNMENT OF DEPARTMENT WORK TO ANY DRIVER/MONITOR/AIDES DISQUALIFIED BY THE DEPARTMENT OR THE TMC.

EACH TIME AN OPERATOR IS FOUND GUILTY OF COMMITTING A MOVING VIOLATION OF THE NEW YORK STATE VEHICLE AND TRAFFIC LAW WHILE TRANSPORTING STUDENTS UNDER THIS CONTRACT.

EACH TIME A DRIVER ALLOWS A STUDENT TO ENTER OR LEAVE THE VEHICLE WHILE IT IS IN MOTION.

EXCLUSION OF ANY STUDENT FROM A RUN BY THE CONTRACTOR OR THE DRIVER.

EACH TIME A DRIVER IS FOUND TO USE CORPORAL PUNISHMENT ON A STUDENT. IN ADDITION, DRIVER WILL BE DISMISSED IMMEDIATELY.

EACH TIME THAT STUDENTS ARE LEFT UNATTENDED ON A VEHICLE, EXCEPT IN AN EMERGENCY.

FAILURE TO FOLLOW PROCEDURES FOR REPORTING OF ACCIDENTS AS SET FORTH IN THE CONTRACT.

FAILURE TO SUBMIT ATTENDANCE REPORTS TO THE TMC.

FAILURE TO REPORT IMMEDIATELY TO THE PRINCIPAL, THE DEPARTMENT OR THE TMC ANY INCIDENT INVOLVING PHYSICAL HARM.

- E. ONE-HALF OF THE COST PER BUS, PER DAY SHALL BE DEDUCTED FROM SUBSEQUENT PAYMENTS DUE THE CONTRACTOR FOR EACH DAY EACH OF THE FOLLOWING VIOLATIONS OF THE CONTRACT OCCURS:

FAILURE OF THE CONTRACTOR TO HAVE THE ABILITY TO DISPATCH SPARE VEHICLES

PROMPTLY.

FAILURE OF THE CONTRACTOR TO ENSURE DIRECT TELEPHONE ACCESS TO THE CONTRACTOR'S GARAGE FROM 10 MINUTES BEFORE THE TIME THE FIRST VEHICLE LEAVES THE GARAGE IN THE MORNING UNTIL THE LAST VEHICLE RETURNS TO THE GARAGE IN THE AFTERNOON, AND TO HAVE AVAILABLE A RESPONSIBLE PERSON WHO CAN GIVE INFORMATION ON THE STATUS OF EACH VEHICLE AND THE STUDENTS ASSIGNED TO EACH RUN.

FAILURE OF THE CONTRACTOR TO PROVIDE TO THE DEPARTMENT AND THE TMC THE NAME AND PHONE NUMBER OF A RESPONSIBLE PERSON AVAILABLE AFTER 5 PM (OR NORMAL BUSINESS HOURS) WHO MAY BE CONTACTED IN THE EVENT OF AN EMERGENCY.

FAILURE OF THE CONTRACTOR TO HAVE SUFFICIENT STORAGE AND ACCESS TO MAINTENANCE FACILITIES WITH SUFFICIENT EQUIPMENT AND TRAINED PERSONNEL TO SATISFY THE COUNTY AND STATE OF NEW YORK DEPARTMENT OF TRANSPORTATION REQUIREMENTS.

FAILURE OF THE CONTRACTOR TO OPERATE A PROGRAM OF PREVENTIVE MAINTENANCE FOR EVERY VEHICLE IN ACCORDANCE WITH THE DEPARTMENT OF TRANSPORTATION REQUIREMENTS AND WHICH MEETS THE APPROVAL OF THE DEPARTMENT AND THE TMC.

FAILURE OF THE CONTRACTOR TO MAINTAIN ACCEPTABLE RECORDS AS EVIDENCE THAT THE VEHICLES ARE RECEIVING PERIODIC MAINTENANCE IN ACCORDANCE WITH DEPARTMENT OF TRANSPORTATION AND DEPARTMENT REQUIREMENTS.

FAILURE OF ANY DRIVER TO MEET ANY OF THE VEHICLE DRIVER REQUIREMENTS SET FORTH IN THE CONTRACT.

EACH DRIVER PROVIDING SERVICE PURSUANT TO THIS CONTRACT FOR WHOM THE REQUIRED MEDICAL CERTIFICATE, FINGERPRINT RECORD, DRIVING RECORD (ABSTRACT), REFERENCE LETTERS AND APPLICATIONS FOR EMPLOYMENT WERE NOT SUBMITTED TO AND APPROVED BY THE DEPARTMENT AND THE TMC.

EACH DRIVER WHO HAS NOT RECEIVED THE PROPER TRAINING, INSTRUCTION AND/OR REFRESHER COURSES AS SPECIFIED HEREIN WITHIN THE TIME PERIOD AGREED UPON BY THE DEPARTMENT AND CONTRACTOR.

EACH VEHICLE TRANSPORTING A GREATER NUMBER OF STUDENTS THAN THE VEHICLE'S PERMISSIBLE STUDENT CAPACITY.

FAILURE OF THE DRIVER TO WAIT AT THE PICKUP POINT UNTIL THE SCHEDULED PICKUP TIME, IF HE/SHE HAS ARRIVED EARLY.

EACH UNAUTHORIZED TRANSFER OF A STUDENT FROM ONE VEHICLE TO ANOTHER VEHICLE EITHER ON THE TRIP TO THE DESTINATION FACILITY OR ON THE HOMEWARD TRIP.

EACH TIME A DRIVER ALLOWS STUDENTS TO THRUST ANY PART OF THEIR BODIES OUT OF OPEN WINDOWS OF THE VEHICLES.

FAILURE OF A DRIVER TO BE FAMILIAR WITH THE VEHICLE AND TRAFFIC LAWS, REGULATIONS OF THE COMMISSIONER OF MOTOR VEHICLES AND REGULATIONS OF THE STATE COMMISSIONER OF EDUCATION PERTAINING TO STUDENT TRANSPORTATION.

FAILURE OF THE DRIVER TO HAVE ON HIS OR HER PERSON AN APPROPRIATE OPERATOR'S LICENSE.

FAILURE TO HAVE AVAILABLE THE MINIMUM NUMBER OF SPARE VEHICLES AS REQUIRED BY THE CONTRACT.

FAILURE TO PROVIDE NEW SERVICE TO A STUDENT WITHIN THE 72 HOURS DESCRIBED WITHIN.

EACH TIME A VEHICLE ARRIVES AFTER THE TIME A SESSION IS DUE TO START.

EACH TIME THE OPERATOR REQUIRES A SCHOOL TO DISMISS STUDENTS PRIOR TO THE NORMAL CLOSE OF THE SCHOOL SESSION EXCEPT WHERE AUTHORIZED BY THE DEPARTMENT OR THE TMC.

FAILURE TO COMPLY WITH CHANGES IN THE RUN INCLUDING ADDITIONS OR DELETIONS OF STOPS.

ALTERING THE RUN SCHEDULE OR PICKUP SEQUENCE OF THE RUN WITHOUT NOTIFYING THE DEPARTMENT, THE TMC, SCHOOL PRINCIPAL AND PARENTS.

FAILURE TO SERVICE EACH DESIGNATED STOP IN EACH RUN.

EACH TIME A DRIVER PERFORMS A STUDENT PICKUP OR DROP-OFF AT A DEAD-END STREET, LOOP STREET, OR CUL-DE-SAC.

- F. ONE-THIRD THE COST OF THE VEHICLE PER DAY SHALL BE DEDUCTED FROM SUBSEQUENT PAYMENTS DUE TO THE CONTRACTOR FOR EACH DAY EACH OF THE FOLLOWING VIOLATIONS OF THE CONTRACT OCCURS:

EACH VEHICLE WITH AN OPERATOR NOT WEARING OR VISIBLY DISPLAYING AN IDENTIFICATION BADGE WITH THE REQUIRED INFORMATION.

EACH OPERATOR WHO FAILS TO ASSIST IN CONDUCTING OF AN EMERGENCY DRILL.

FAILURE TO INFORM THE PRINCIPAL OR HIS/HER DESIGNEE THAT STUDENT'S PICKUP TIMES AND DROP OFF TIMES WILL BE CHANGED BECAUSE OF AN ADDITION OR DELETION OF STOPS OR OTHER REVISIONS TO A RUN.

FAILURE TO NOTIFY THE SCHOOL AND THE TMC IMMEDIATELY OF A BREAKDOWN ON THE WAY TO AND FROM SCHOOL.

MAKING A STOP AT AN UNAUTHORIZED LOCATION.

FAILURE TO DISPLAY THE RUN NUMBER INSIDE THE SIDE FRONT WINDOWS OF THE VEHICLE SO THAT IT CAN CLEARLY BE SEEN FROM A DISTANCE OF NOT LESS THAN 15 FEET.

FAILURE TO KEEP THE INTERIOR OF A VEHICLE CLEAN.

FAILURE TO WASH THE EXTERIOR OF EACH VEHICLE WEEKLY OR TO KEEP IT CLEAN.

EACH TIME A VEHICLE IS OPERATED IN THE PERFORMANCE OF THIS CONTRACT WITHOUT BEING EQUIPPED WITH AN APPROPRIATE FIRE EXTINGUISHER, FLARES OR FIRE BLANKET.

EACH TIME A VEHICLE IS OPERATED IN THE PERFORMANCE OF THIS CONTRACT WITHOUT BEING EQUIPPED WITH AN APPROPRIATE FIRST AID KIT ALONG WITH BODY FLUID KIT AND GLOVES AND SEAT BELT CUTTER.

FAILURE TO SHUT OFF THE MOTOR, TO REMOVE THE IGNITION KEY, SET THE BRAKES AND TURN THE WHEELS TO THE CURB WHEN THE DRIVER LEAVES A PARKED VEHICLE.

ANYTIME PASSENGERS OTHER THAN STUDENTS ASSIGNED BY THE DEPARTMENT/TMC ARE CARRIED IN VEHICLES USED IN THIS CONTRACT EXCEPT AS AUTHORIZED BY THE DEPARTMENT.

ANY OTHER VIOLATION OF THE CONTRACT WHATSOEVER FOR WHICH NO SPECIFIED LIQUIDATED DAMAGES ARE LISTED.

EACH TIME A VEHICLE IS OPERATED WITHOUT A FUNCTIONING VIDEO IMAGING AND AUDIO SYSTEM THAT RECORDS BOTH THE INTERIOR OF THE BUS CABIN AND THE FORWARD ROADWAY WHILE IN SERVICE.

FAILURE TO MAINTAIN FOR A MINIMUM OF SIX (6) MONTHS AND MADE AVAILABLE WITHIN 24 HOURS UPON REQUEST BY THE COUNTY AND/ OR THE TMC.

NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE DEPARTMENT TO DECLARE THE CONTRACTOR IN DEFAULT OF THE CONTRACT IN ADVANCE OR, IN LIEU OF, OR IN ADDITION TO THE ASSESSMENT OF LIQUIDATED DAMAGES



Nassau County Interim Finance Authority

Contract Approval Request Form (As of January 1, 2015)

1. Vendor: L&M Bus Corp

2. Amount requiring NIFA approval: \$44,000,000.00

Amount to be encumbered: \$6,000,000.00

Slip Type: New

If new contract - \$ amount should be full amount of contract

If advisement - NIFA only needs to review if it is increasing funds above the amount previously approved by NIFA

If amendment - \$ amount should be full amount of amendment only

3. Contract Term: 08/01/2026 to 07/31/2029

Has work or services on this contract commenced? No

If yes, please explain:

4. Funding Source:

General Fund (GEN)	X	Grant Fund (GRT)
Capital Improvement Fund (CAP)		Other

Federal %

State %

County %

59.5

40.5

Is the cash available for the full amount of the contract? No

If not, will it require a future borrowing? No

Has the County Legislature approved the borrowing? N/A

Has NIFA approved the borrowing for this contract? N/A

5. Provide a brief description (4 to 5 sentences) of the item for which this approval is requested:

Preschool Special Education Bus Transportation - Contract with bus companies to safely and reliably transport preschool children to and from their educational programs

6. Has the item requested herein followed all proper procedures and thereby approved by the:

Nassau County Attorney as to form Yes

Nassau County Committee and/or Legislature

Date of approval(s) and citation to the resolution where approval for this item was provided:

7. Identify all contracts (with dollar amounts) with this or an affiliated party within the prior 12 months:

Contract ID	Posting Date	Amount Added in Prior 12 Months
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AUTHORIZATION

To the best of my knowledge, I hereby certify that the information contained in this Contract Approval Request Form and any additional information submitted in connection with this request is true and accurate and that all expenditures that will be made in reliance on this authorization are in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan. I understand that NIFA will rely upon this information in its official deliberations.

IQURESHI

03/26/2026

Authenticated User

Date

COMPTROLLER'S OFFICE

To the best of my knowledge, I hereby certify that the information listed is true and accurate and is in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan.

Regarding funding, please check the correct response:

I certify that the funds are available to be encumbered pending NIFA approval of this contract.

If this is a capital project:

I certify that the bonding for this contract has been approved by NIFA.

Budget is available and funds have been encumbered but the project requires NIFA bonding authorization.

Authenticated User

Date

NIFA

Amount being approved by NIFA:

Payment is not guaranteed for any work commenced prior to this approval.

Authenticated User

Date

NOTE: All contract submissions MUST include the County's own routing slip, current NIFS printouts for all relevant accounts and relevant Nassau County Legislature communication documents and relevant supplemental information pertaining to the item requested herein.

NIFA Contract Approval Request Form MUST be filled out in its entirety before being submitted to NIFA for review.

NIFA reserves the right to request additional information as needed.

BRUCE A. BLAKEMAN
NASSAU COUNTY EXECUTIVE



IRINA GELMAN, DPM, PhD, MPH
Commissioner of Health

BOARD OF HEALTH
Ellen J. Braunstein, MD, Chair
Anthony J. Battista, MD, Vice-Chair
Paul A. Pipia, MD
John R. Zaso, DO
Rizwan Qureshi

NASSAU COUNTY DEPARTMENT OF HEALTH

Inter-Departmental Memo

To: Robert Cleary, Chief Compliance Officer, Nassau County, NY
From: Daniel Naftol, Department Chief Contract Officer, Department of Health
Date: April 17, 2025
Cc: Deneen Jenkins, Fiscal Director, Department of Health
Shelly Schechter, Director of Maternal & Child Health Services, Department of Health
Subject: L&M Bus Corporation

This memo addresses the discovery of "Adverse Information", related to L&M Bus Corporation, which was identified by the provider in their disclosure documents.

The L&M Bus Corporation identified several items along with their respective resolutions. I have reviewed this information and find L&M Bus Corporation to be a responsible vendor for this award. Accordingly, the Nassau County Department of Health does not believe this will impact their existing Purchase Order or this new contract award.

Attached as reference is a summary of the issues identified along with the corrective action.

A handwritten signature in black ink, appearing to read "D. Naftol", is positioned above the typed name.

Daniel Naftol
Nassau County Department of Health
Fiscal Department
dnaftol@nassaucountyny.gov
Phone: (516) 227-8598



200 COUNTY SEAT DRIVE, MINEOLA, NEW YORK 11501
Phone: 516-227-9500 Fax: 516-227-9696



L&M Bus Corporation
Adverse Information Finding and Corrective Actions

- The Washington Utilities and Transportation Commission (UTC) conducted a review of First Student in November 2021, and its report noted a number of regulatory violations. As for remedial measures, First Student was able to correct most of the issues immediately, and with the UTC's acceptance of our work and a court approved settlement, were allowed to maintain our satisfactory rating, the highest rating possible.
- In 2020, the New York State Department of Human Rights (NYSDHR) filed a complaint against First Student alleging unlawful discriminatory practices relating to public accommodation and education arising from a bullying incident between students that occurred in 2019 on a First Student school bus. After investigation, the NYSDHR referred the matter to a September 2023 public hearing on the merits for October 2023. Prior to the hearing, the parties reached a stipulation of settlement encompassing monetary and non-monetary terms (e.g., revised school district policies, postings, training) and a 3-year compliance period. This stipulation of settlement has not impacted the contract with the school district.
- On April 1, 2024, the United States Attorneys' Offices for the Northern District of New York (USAO), issues to First Student a Civil Investigative Demand (CID) in connection with an investigation as to whether First Student had submitted or caused to be submitted false claims to the United States in connection with federally funded grants and/or contracts relating to its compliance with driver/monitor/attendant training and hiring criteria/eligibility requirements. On June 5, 2024, First Student submitted its response to the USAO, detailing its hiring and training protocols and procedures, including specifics surrounding its background check process and suite of training programs. Currently, First Student has received no further communications from the USAO with respect to the CID. The OSC has attended a meeting regarding this matter, but First Student is not otherwise aware of its involvement.
- In 2018, the Office of Attorney General for the State of New York began an investigation into First Student's subsidiary (acquired by First Student 2022), Total Transportation, with allegedly engaged in excessive idling. In July 2024, the parties reached an Assurance of Discontinuance Agreement pursuant to which Total has agreed to engage in remedial measures including additional training and equipment to prevent future idling violations, Total is engaged in implementing those remedial measures.
- Effective March 6, 2024, First Student and the United States Environmental Protection Agency, Region 1 (EPA) entered into a Consent Agreement and Final Order (CAFO) with respect to allegations that idling of motor vehicles in excess of three minutes had occurred at two (2) First Student locations in Connecticut. Pursuant to the CAFO, First Student agreed to (1) provide anti-idling training to its employees who operate school buses; (2) post "no excessive idling" signs at its facilities; (3) provide anti-idling coaching at its Connecticut locations; and (4) pay a monetary penalty to the EPA. First Student is engaged in implementing those remedial measures.



COUNTY OF NASSAU

POLITICAL CAMPAIGN CONTRIBUTION DISCLOSURE FORM

1. Has the vendor or any corporate officers of the vendor provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES ☐ NO ☒ If yes, to what campaign committee?

Electronically signed and certified at the date and time indicated by:
regina M Morana [REGINA.MORANA@FIRSTGROUP.COM]

Dated: 02/06/2026 01:38:30 pm

Vendor: L&M Bus Corp

Title: Accounts Receivable Manager

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1.

Principal Name:

John Kenning

Date of birth:

Home address:

City:

State/Province/Territory:

Zip/Postal Code:

Country:

Business Address:

191 Rosa Parks Street, 8th Floor

City:

Cincinnati

State/Province/Territory:

OH

Zip/Postal Code:

45202

Country

US

Telephone:

513-241-2200

Other present address(es):

City:

State/Province/Territory:

Zip/Postal Code:

Country:

Telephone:

List of other addresses and telephone numbers attached

2.

Positions held in submitting business and starting date of each (check all applicable)

President

06/01/2024

Treasurer

Chairman of Board

Shareholder

Chief Exec. Officer

06/01/2024

Secretary

Chief Financial Officer

Partner

Vice President

(Other)

3.

Do you have an equity interest in the business submitting the questionnaire?

YES [] NO [X] If Yes, provide details.

4.

Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES [] NO [X] If Yes, provide details.

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5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES ☒ NO ☐ If Yes, provide details.

I am an officer of each entity in the attached Corporate organizational chart.

1 File(s) uploaded: FS Org Chart 6.23.25.pdf

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?

YES ☒ NO ☐ If Yes, provide details.

Please see list of entities that hold contracts with governmental entities.

1 File(s) uploaded: Contracted Entity List 9.3.25.xlsx

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

- a. Been debarred by any government agency from entering into contracts with that agency?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?

YES ☒ NO ☐ If yes, provide an explanation of the circumstances and corrective action taken.

On rare occasions our affiliates have been asked to cure a default but to the best of our knowledge none have had a contract terminated as a result of default or had a contract cancelled for cause.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES ☐ NO ☒ If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

- a. Is there any felony charge pending against you?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- b. Is there any misdemeanor charge pending against you?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- c. Is there any administrative charge pending against you?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- f. In the past 5 years, have you been found in violation of any administrative or statutory charges?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- 10 In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5? YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- 11 In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES ☒ NO ☐ If yes, provide an explanation of the circumstances and corrective action taken.

Please see attached Disclosure.

1 File(s) uploaded: Investigation Disclosure.pdf

- 12 In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held? YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- 13
- For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?
YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.
-

I, John Kenning , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, John Kenning , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

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L&M Bus Corp.

Name of submitting business

Electronically signed and certified at the date and time indicated by:

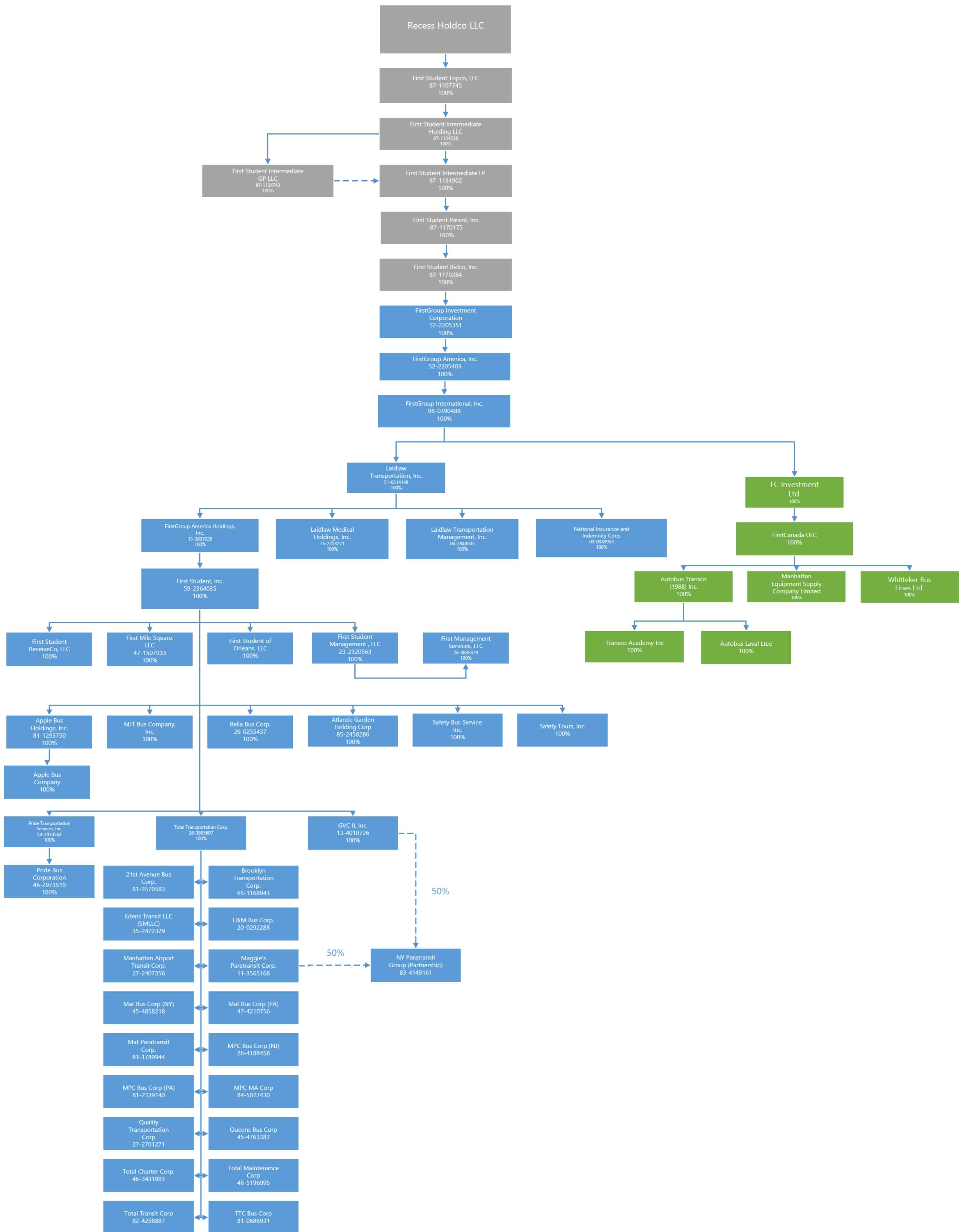
John Kenning JOHN.KENNING@FIRSTSTUDENTINC.COM

President & CEO

Title

03/02/2026 02:33:20 pm

Date



<u>Company Information</u>
FirstGroup America, Inc. FEIN: 52-2205403 Formed: 03/09/2000 State: Delaware Status: Active
First Student, Inc. FEIN: 59-2364035 Formed: 10/28/83 State: Delaware Status: Active
First Mile Square, LLC FEIN: 47-1507933 Formed: 6/30/2014 State: Delaware Status: Active
First Student of Orleans, LLC FEIN: 84-2795606 Formed: 7/09/2019 State: Louisiana Status: Active
Apple Bus Holdings, Inc. FEIN: 81-1293750 Formed: 02/1/2016 State: Delaware Status: Active
Apple Bus Company FEIN: 43-1903691 Formed: 10/10/2000 State: Missouri Status: Active
Safety Bus Service, Inc. FEIN: 22-2854034 Formed: 8/12/1960 State: New Jersey Status: Active
Safety Tours, Inc. FEIN: 22-2504711 Formed: 2/7/1984 State: New Jersey Status: Active
Total Transportation Corp. FEIN: 26-3805607

<u>Company Information</u>
Formed: 11/4/2008 State: New York Status: Active
Quality Transportation Corp. FEIN: 27-2701271 Formed 5/26/2010 State: NY Status: Active
MAT Bus Corp. (NY) FEIN: 45-4858218 Formed: 3/21/2012 State: NY Status: Active
MAT Bus Corp. (PA) FEIN: 47-4210756 Formed: 6/8/2015 State: PA Status: Active
Total Charter Corp. FEIN: 46-3431893 Formed: 8/2/2013 State: NY Status: Inactive
MPC Bus Corp. FEIN: 26-4188458 Formed: 3/17/2015 State: NJ Status: Active
Pride Bus Corp. FEIN: Formed: State: Status: Active
Pride Transportation Services, Inc. FEIN: 54-2074564 Formed: 9/16/2002 State: NY Status: Active
Total Maintenance Corp. FEIN: 46-5196995 Formed: 3/20/2014 State: NY Status: Active

<u>Company Information</u>
Total Transit Corp. FEIN: 82-4258887 Formed: 1/26/2018 State: PA Status: Active
TTC Bus Corp FEIN: 81-0686931 Formed: State: CT Status: Active
GVC II Inc. FEIN: 13-4010726 Formed: 6/12/1998 State: NY Status: Active
L&M Bus Corp FEIN: 20-0292288 Formed: 10/10/2003 State: NY Status: Active
Bella Bus Corp FEIN: 26-0255437 Formed: 5/25/2007 State: NY Status: Active
Penny Transportation Inc. FEIN: 11-2349863 Formed: 2/13/1974 State: New York Status: Active
Smart Pick Inc. FEIN: 11-3235247 Formed: 11/1/1994 State: New York Status: Active

Investigation Disclosure

Any investigation, levy of a routine citation or fine against L&M, including its parent entities Total Transportation Corp and First Student and affiliates, is consistent with that of a similarly situated company. Examples would include routine investigations or citations such as speeding tickets, OSHA inspections or the like. Given the breadth of our family of companies' nationwide operations, it would be impossible to expect that on occasion an investigation, fine or citation would not be levied against First Student or its affiliates. We are not aware of any investigation that would materially impact L&M's ability to perform services. The following are explanations regarding several investigations that have occurred in the past 5 years:

The Washington Utilities and Transportation Commission (UTC) is a regulatory agency that oversees and authorizes First Student's charter transportation services across the state of Washington. The UTC conducts periodic reviews and inspections of all charter transportation companies, including First Student, to ensure regulatory compliance. First Student has a long history of working cooperatively with the UTC to address any issues the commission identifies during these routine audits. In November 2021, the UTC conducted a review of First Student, and its report noted a number of regulatory violations. While most of the issues the UTC cited were administrative or records-keeping issues, our first priority at First Student was to address each of the issues promptly and fully to the UTC's satisfaction. As for remedial measures, First Student was able to correct most of the issues immediately, and with the UTC's acceptance of our work and a court approved settlement, were allowed to maintain our satisfactory rating, the highest rating possible.

In 2020, the New York State Department of Human Rights (NYSDHR) filed a complaint against First Student alleging unlawful discriminatory practices relating to public accommodation and education arising from a bullying incident between students that occurred in 2019 on a First Student school bus. After investigation, the NYSDHR referred the matter to a September 2023 public hearing on the merits for October 2023. Prior to the hearing, the parties reached a stipulation of settlement encompassing monetary and non-monetary terms (e.g., revised school district policies, postings, training) and a 3-year compliance period. This stipulation of settlement has not impacted the contract with the school district.

On April 1, 2024, the United States Attorneys' Offices for the Northern District of New York (USAO), located in Albany, New York, issues to First Student a Civil Investigative Demand (CID) in connection with an investigation as to whether First Student had submitted or

caused to be submitted false claims to the United States in connection with federally funded grants and/or contracts relating to its compliance with driver/monitor/attendant training and hiring criteria/eligibility requirements. On June 5, 2024, First Student submitted its response to the USAO, detailing its hiring and training protocols and procedures, to include specifics surrounding its background check process and suite of training programs. At this time, First Student has received no further communications from the USAO with respect to the CID. The OSC has attended a meeting regarding this matter, but First Student is not otherwise aware of its involvement.

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PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1.

Principal Name:

Joe Schwaderer

Date of birth:

Home address:

City:

State/Province/Territory:

Zip/Postal Code:

Country:

Business Address:

191 Rosa Parks Street, 8th Floor

City:

Cincinnati

State/Province/Territory:

OH

Zip/Postal Code:

45202

Country

US

Telephone:

5132412200

Other present address(es):

City:

State/Province/Territory:

Zip/Postal Code:

Country:

Telephone:

List of other addresses and telephone numbers attached

2.

Positions held in submitting business and starting date of each (check all applicable)

President

Treasurer

Chairman of Board

Shareholder

Chief Exec. Officer

Secretary

Chief Financial Officer

06/13/2024

Partner

Vice President

(Other)

Type

Other

Description

Senior Vice President, Finance

Start Date

06/13/2024

3.

Do you have an equity interest in the business submitting the questionnaire?

YES [] NO [X] If Yes, provide details.

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES ☐ NO ☒ If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES ☒ NO ☐ If Yes, provide details.

I am an officer of every entity listed on the attached Org Chart

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?

YES ☒ NO ☐ If Yes, provide details.

Please see attached list of entities.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

- a. Been debarred by any government agency from entering into contracts with that agency?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?

YES ☒ NO ☐ If yes, provide an explanation of the circumstances and corrective action taken.

On rare occasions our affiliates have been asked to cure a default but to the best of our knowledge none have had a contract terminated as a result of default or had a contract cancelled for cause.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES ☐ NO ☒ If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

- a. Is there any felony charge pending against you?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- b. Is there any misdemeanor charge pending against you?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- c. Is there any administrative charge pending against you?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- f. In the past 5 years, have you been found in violation of any administrative or statutory charges?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- 10 In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?
YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- 11 In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES ☒ NO ☐ If yes, provide an explanation of the circumstances and corrective action taken.

Pease see attached Disclosure.

- 12 In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- 13 For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or

. local taxes or other assessed charges, including but not limited to water and sewer charges?
YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

I, Joe Schwaderer , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Joe Schwaderer , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

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L&M Bus Corp.

Name of submitting business

Electronically signed and certified at the date and time indicated by:

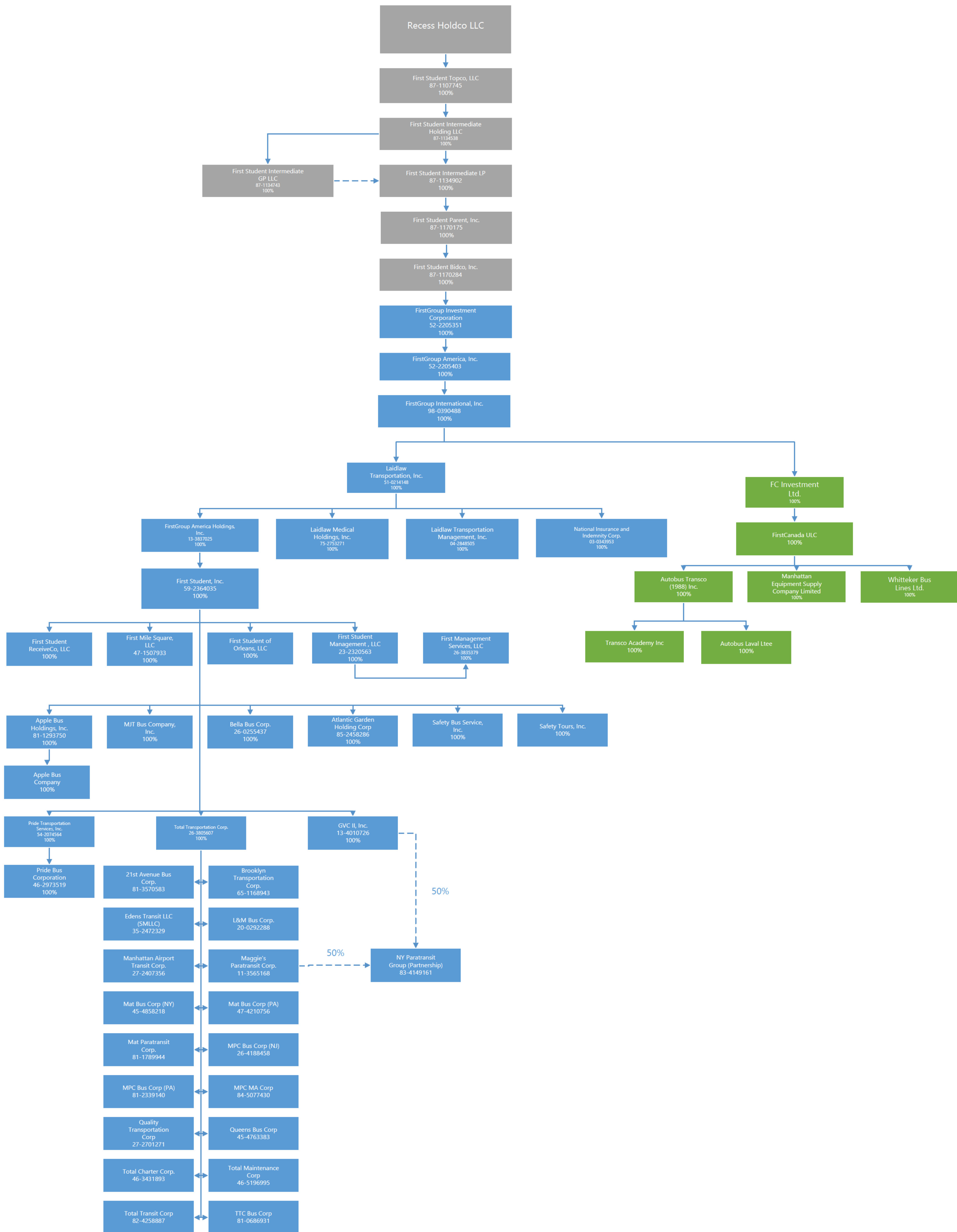
Joe Schwaderer JOE.SCHWADERER@FIRSTSTUDENTINC.COM

Chief Financial Officer

Title

03/23/2026 09:42:13 am

Date



PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name: Joseph Sgro
Date of birth: [REDACTED]
Home address: [REDACTED]
City: [REDACTED] State/Province/Territory: [REDACTED] Zip/Postal Code: [REDACTED]
Country: [REDACTED]
Business Address: 231 Malta Street
City: Brooklyn State/Province/Territory: NY Zip/Postal Code: 11207
Country: US
Telephone: 5167545563
Other present address(es):
City: _____ State/Province/Territory: NY Zip/Postal Code: _____
Country: US
Telephone: _____

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President	_____	Treasurer	_____
Chairman of Board	_____	Shareholder	_____
Chief Exec. Officer	_____	Secretary	_____
Chief Financial Officer	_____	Partner	_____
Vice President	<u>01/01/2019</u>		
(Other)			

3. Do you have an equity interest in the business submitting the questionnaire?

YES [] NO [X] If Yes, provide details.

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES [] NO [X] If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES ☒ NO ☐ If Yes, provide details.

I am an Officer of Total Transportation Corp., L&M Bus Corp., Quality Transportation Corp., Pride Transportation Services Inc., Pride Bus Corp., MAT Bus Corp., MPC Bus Corp., Maggies Paratransit Corp., GVC II Inc., Total Transit Corp., Bella Bus Corp., TTC Bus Corp. and Total Charter Corp.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?

YES ☒ NO ☐ If Yes, provide details.

Please See Attached.

1 File(s) uploaded: Question 6 Awarded Contracts.pdf

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

- a. Been debarred by any government agency from entering into contracts with that agency?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?

YES ☒ NO ☐ If yes, provide an explanation of the circumstances and corrective action taken.

On rare occasions our affiliates have been asked to cure a default but to the best of our knowledge none have had a contract terminated as a result of default or had a contract cancelled for cause.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES ☐ NO ☒ If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

10 In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

11 In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES ☒ NO ☐ If yes, provide an explanation of the circumstances and corrective action taken.

Please See Attached.

1 File(s) uploaded: Question 11 Investigation Disclosure.pdf

12 In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

- 13 For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?
YES ☐ NO ☒ If yes, provide an explanation of the circumstances and corrective action taken.

--

I, Joseph Sgro , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Joseph Sgro , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

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L&M Bus Corp.

Name of submitting business

Electronically signed and certified at the date and time indicated by:

Joseph Sgro JOSEPHSGRO@TOTALBUSCO.COM

Region Senior Vice President

Title

02/17/2026 11:57:36 am

Date



In Response to: Principal Questionnaire Form

Question #6

Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?

Please note L&M Bus Corp is a subsidiary of Total Transportation Corp.

Below are the entities that were awarded governmental contracts and continue to operate while Joe Sgro was an Officer.

- Quality Transportation – New York City Department of Education
- L&M Bus Corp - New York City Department of Education
Prep for Prep
- Bella Bus Corp - NYC Department of Homeless Services
Interagency Transportation Solutions
- Pride Transportation Services, Inc. - New York Department of Education
- Maggies Paratransit Corp. - Metropolitan Transportation Agency (MTA)
- GVCII, Inc - Metropolitan Transportation Agency (MTA)
- Total Transit Corp - SEPTA
- MPC Bus Corp - New Jersey Transit (NJT)
- MAT Bus Corp. – Dutchess BOCES
Yonkers Public Schools
Yorktown Central School District

Investigation Disclosure

Any investigation, levy of a routine citation or fine against L&M, including its parent entities Total Transportation Corp and First Student and affiliates, is consistent with that of a similarly situated company. Examples would include routine investigations or citations such as speeding tickets, OSHA inspections or the like. Given the breadth of our family of companies' nationwide operations, it would be impossible to expect that on occasion an investigation, fine or citation would not be levied against First Student or its affiliates. We are not aware of any investigation that would materially impact L&M's ability to perform services. The following are explanations regarding several investigations that have occurred in the past 5 years:

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Effective March 6, 2024, First Student and the United States Environmental Protection Agency, Region 1 (EPA) entered into a Consent Agreement and Final Order (CAFO) with respect to allegations that idling of motor vehicles in excess of three minutes had occurred at two (2) First Student locations in Connecticut. Pursuant to the CAFO, First Student agreed to (1) provide anti-idling training to its employees who operate school buses; (2) post "no excessive idling" signs at its facilities; (3) provide anti-idling coaching at its Connecticut locations; and (4) pay a monetary penalty to the EPA. First Student is engaged in implementing those remedial measures.

Business History Form

The contract shall be awarded to the responsible proposer who, at the discretion of the County, taking into consideration the reliability of the proposer and the capacity of the proposer to perform the services required by the County, offers the best value to the County and who will best promote the public interest.

In addition to the submission of proposals, each proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the Proposal.

NOTE: All questions require a response, even if response is "none" or "not-applicable." No blanks.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date: 08/25/2025

1) Proposer's Legal Name: L&M Bus Corp

2) Address of Place of Business: 3167 Atlantic Avenue

City: Brooklyn State/Province/Territory: NY Zip/Postal Code: 11207

Country: US

Address: 200 Winding Road

City: Old Bethpage State/Province/Territory: NY Zip/Postal Code: 11804

Country: US

Start Date: 08/18/2021 End Date: 08/31/2024

Address: 400 Stanley Avenue

City: Brooklyn State/Province/Territory: NY Zip/Postal Code: 11208

Country: US

Start Date: 01/01/2002 End Date:

Address: 42 Schlegel BLVD

City: Amityville State/Province/Territory: NY Zip/Postal Code: 11701

Country: US

Start Date: 09/01/2024 End Date:

3) Mailing Address (if different):

City: _____ State/Province/
Territory: _____ Zip/Postal
Code: _____
Country: _____
Phone: _____

Does the business own or rent its facilities? Rent If other, please provide details:

4) Dun and Bradstreet number: XXXXXXXXXX

5) Federal I.D. Number: XXXXXXXXXX

6) The proposer is a: Corporation (Describe) _____

7) Does this business share office space, staff, or equipment expenses with any other business?

YES ☐ NO ☒ If yes, please provide details:

8) Does this business control one or more other businesses?

YES ☐ NO ☒ If yes, please provide details:

9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business?

YES ☒ NO ☐ If yes, please provide details:

Please see the attached Corporate Organizational Chart.

1 File(s) uploaded: FS Org Chart 6.23.25.pdf

10) Has the proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated?

YES ☐ NO ☒ If yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract).

11) Has the proposer, during the past seven years, been declared bankrupt?

YES ☐ NO ☒ If yes, state date, court jurisdiction, amount of liabilities and amount of assets

12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business.

YES ☐ NO ☒ If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

- 13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business.
YES ☒ NO ☐ If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

1 File(s) uploaded: Investigation Disclosure.pdf

- 14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:
a) Any felony charge pending?
YES ☐ NO ☒ If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

b) Any misdemeanor charge pending?

YES ☐ NO ☒ If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business?

YES ☐ NO ☒ If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor?

YES ☐ NO ☒ If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions?

YES ☐ NO ☒ If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

- 15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?
YES ☒ NO ☐ If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

Any investigation, levy of a routine citation against L&M, including its parent entities and affiliates, is consistent with that of similarly situated companies. Examples would include routine investigations or citations such as speeding tickets, OSHA inspections or the like. Given the breath of our nationwide operations it would not be impossible to expect that on occasion an investigation, fine or citation would not be levied against L&M Bus Corp or its affiliates. We are not aware of any investigation that would materially impact L&M's ability to perform services.

- 16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?
YES ☐ NO ☒ If yes, provide details for each such year. Provide a detailed response to all questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the questionnaire.

17 Conflict of Interest:

- a) Please disclose any conflicts of interest as outlined below. NOTE: If no conflicts exist, please expressly state "No conflict exists."

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists

(ii) Any family relationship that any employee of your firm has with any County public servant that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists

- b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future.

L&M Bus Corp will follow all procurement rules to ensure that no conflict will exist in the future. If a conflict arises in the future Nassau County will be notified by L&M Bus Corp. to make a determination if a conflict of interest exists.

- A. Include a resume or detailed description of the Proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

Have you previously uploaded the below information under in the Document Vault?

YES ☒ NO ☐

Is the proposer an individual?

YES ☐ NO ☒ Should the proposer be other than an individual, the Proposal MUST include:

- i) Date of formation;

10/10/2003

- ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner. If none, explain.

NONE- All shares are 100% owned by Total Transportation Corp. Please see attached Organization Chart.

1 File(s) uploaded: FS Org Chart 6.23.25.pdf

- iii) Name, address and position of all officers and directors of the company. If none, explain.

Joe Sgro - Senior Vice President -

John Kenning - President & CEO -

Joe Schwaderer - CFO -

1 File(s) uploaded: LM Board of Directors Letterhead.pdf

iv) State of incorporation (if applicable);

NY

v) The number of employees in the firm;

2000

vi) Annual revenue of firm;

60000000

vii) Summary of relevant accomplishments

L&M Bus Corp has had many accomplishments as a whole under our Parent Company Total Transportation Corp but one that stands out profoundly in our Proposal is in 2012 L&M Bus Corp was asked by the NYC DOE to assume 175 Pre-K routes from a provider that had failed to meet its contract requirements . Our management team quickly mobilized in securing property, vehicles and staff and had accomplished contract compliance to the DOE within the three week transition and successfully managed to take over the contract. We aim to provide the best service possible when it comes to transportation.

viii) Copies of all state and local licenses and permits.

1 File(s) uploaded: Proof of Business - L&M Bus Corp.pdf

B. Indicate number of years in business.

22

C. Provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services.

L&M Bus Corp has provided exceptional service when it comes to supplying student transportation. We service over 185+ routes a day all while getting children safely to-and-from school with a fleet over 352+ vehicles. We believe our experience and the ability to perform our contracts is the sole reason why our transition capabilities are so successful. Please refer to both attachments of our Current Contracts and Reference List to see whom we provide services too.

1 File(s) uploaded: L&M Customer List 2025.pptx

D. Provide names and addresses for no fewer than three references for whom the Proposer has provided similar services or who are qualified to evaluate the Proposer's capability to perform this work.

Company	Jericho School District		
Contact Person	Castel Stone		
Address	99 Cedar Swamp Road		
City	Jericho	State/Province/Territory	NY
Country	US		
Telephone	(516) 203-3600		
Fax #			
E-Mail Address	cstone@jerichoschools.org		

Company	Freeport Union Free School District		
Contact Person	Jamie Reinke		
Address	235 N Ocean Avenue		
City	Freeport	State/Province/Territory	NY
Country	US		
Telephone	(516) 867-5224		
Fax #			
E-Mail Address	jreinke@freeportschools.org		

Company	Westbury Union Free School District		
Contact Person	James Popkin		
Address	2 Hitchcock Lane		
City	Old Westbury	State/Province/Territory	NY
Country	US		
Telephone	(516) 876-5012		
Fax #			
E-Mail Address	jpopkin@westburyschools.org		

I, Regina M Morana , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Regina M Morana , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Name of submitting business: L&M BUs Corp

Electronically signed and certified at the date and time indicated by:
Regina M Morana REGINA.MORANA@FIRSTGROUP.COM

Accounts Receivable Manager
Title

02/06/2026
Date

10/2/2025

L&M Bus Corp. Board of Directors

John Kenning – President & CEO

Joe Sgro – Vice President

Joe Schwaderer – CFO



FILING RECEIPT

=====

ENTITY NAME: L & M BUS CORP.

DOCUMENT TYPE: INCORPORATION (DOM. BUSINESS)

COUNTY: QUEE

SERVICE COMPANY: BLUMBERG/EXCELSIOR CORPORATE SERVICES

SERVICE CODE: 39 *

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FILED:10/10/2003 DURATION:PERPETUAL CASH#:031010000664 FILM #:031010000643

ADDRESS FOR PROCESS

EXIST DATE

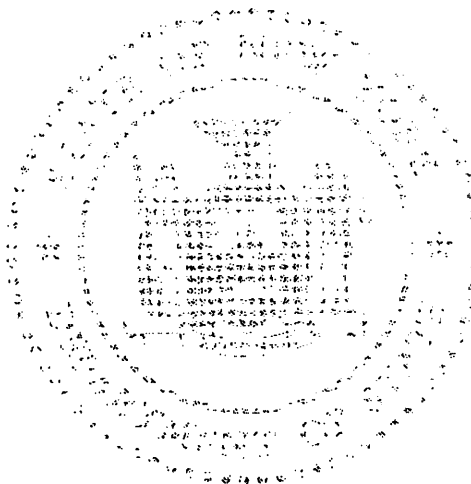
THE CORPORATION
56-19 METROPOLITAN AVENUE
RIDGEWOOD, NY 11378

10/10/2003

REGISTERED AGENT

STOCK:

200 NPV



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FILER	FEES	160.00	PAYMENTS	160.00
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BLUMBERGEXCELSIOR CORPORATE	FILING	125.00	CASH	0.00
SERVICES, INC.	TAX	10.00	CHECK	0.00
52 SOUTH PEARL STREET 2ND FLOOR	CERT	0.00	CHARGE	0.00
ALBANY, NY 12207	COPIES	0.00	DRAWDOWN	160.00
	HANDLING	25.00	BILLED	0.00
			REFUND	0.00

=====

CERTIFICATE OF INCORPORATION

OF

L & M BUS CORP.

Pursuant to Section 402 of the Business Corporation Law

I, the undersigned, a natural person of at least 18 years of age, for the purpose of forming a corporation under Section 402 of the Business Corporation Law of the State of New York hereby certify:

FIRST: The name of the corporation is:

L & M BUS CORP.

SECOND: The purpose of the corporation is to engage in any lawful act or activity for which, corporations may be organized under Article IV of the Business Corporation Law, except that it is not formed to engage in any act or activity requiring the consent or approval of any state official, department, board, agency or other body without such consent or approval first being obtained.

THIRD: The office of the corporation is to be located in the County of **QUEENS**, State of New York.

FOURTH: The aggregate number of shares, which the corporation shall have the authority to issue, is **TWO HUNDRED**, each of which shall be common stock with no par value.

FIFTH: The Secretary of State is designated as agent of the corporation upon whom process against it may be served. The post office address to which the Secretary of State shall mail a copy of any process against the corporation served upon him is:

**C/O THE CORPORATION
56-19 METROPOLITAN AVENUE
RIDGEWOOD, NY 11378**

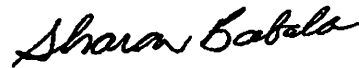
SIXTH: No director of the corporation shall have personal liability to the corporation or to its shareholders for damages for any breach of duty in such capacity, provided, however, that the provision shall not eliminate or limit:

(a) the liability of any director of the corporation if a judgment or other final adjudication adverse to him establishes that his acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled or, with respect to any director of the corporation, that his acts violated Section 719 of the Business Corporation Law of the State of New York, or

(b) the liability of a director for any act or omission prior to the final adoption of this article.

IN WITNESS WHEREOF, the undersigned incorporator has executed this certificate of incorporation.

10/10/03



Sharon Babala, Incorporator
BlumbergExcelsior Corporate
Services, Inc.
52 South Pearl Street
Albany, New York 12207

Certificate of Incorporation

of

L & M BUS CORP.

Pursuant to Section 402 of the Business Corporation Law

**BLU-39
DRAWDOWN**

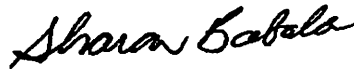
**Filed By:
BlumbergExcelsior Corporate Services, Inc.
52 South Pearl Street, 2nd Floor
Albany, NY 12207**

CERTIFICATE OF INCORPORATOR'S ACTION
OF
L & M BUS CORP.

The undersigned, being the sole incorporator of the Corporation, hereby consents, to, certifies and has taken the following action:

1. By-laws in the form annexed to this certificate are adopted as the by-laws of the Corporation.
2. The following persons, each of whom has previously indicated willingness to serve, are elected directors to the Corporation.
3. From this date the undersigned has fulfilled the duties as the incorporator of the corporation and relinquishes all further duties to perfect the organization of the corporation.

IN WITNESS WHEREOF, I have subscribed this certificate on October 10, 2003.



Sharon Babala
Incorporator

Investigation Disclosure

Any investigation, levy of a routine citation or fine against L&M, including its parent entities Total Transportation Corp and First Student and affiliates, is consistent with that of a similarly situated company. Examples would include routine investigations or citations such as speeding tickets, OSHA inspections or the like. Given the breadth of our family of companies' nationwide operations, it would be impossible to expect that on occasion an investigation, fine or citation would not be levied against First Student or its affiliates. We are not aware of any investigation that would materially impact L&M's ability to perform services. The following are explanations regarding several investigations that have occurred in the past 5 years:

The Washington Utilities and Transportation Commission (UTC) is a regulatory agency that oversees and authorizes First Student's charter transportation services across the state of Washington. The UTC conducts periodic reviews and inspections of all charter transportation companies, including First Student, to ensure regulatory compliance. First Student has a long history of working cooperatively with the UTC to address any issues the commission identifies during these routine audits. In November 2021, the UTC conducted a review of First Student, and its report noted a number of regulatory violations. While most of the issues the UTC cited were administrative or records-keeping issues, our first priority at First Student was to address each of the issues promptly and fully ad to the UTC's satisfaction. As for remedial measures, First Student was able to correct most of the issues immediately, and with the UTC's acceptance of our work and a court approved settlement, were allowed to maintain our satisfactory rating, the highest rating possible.

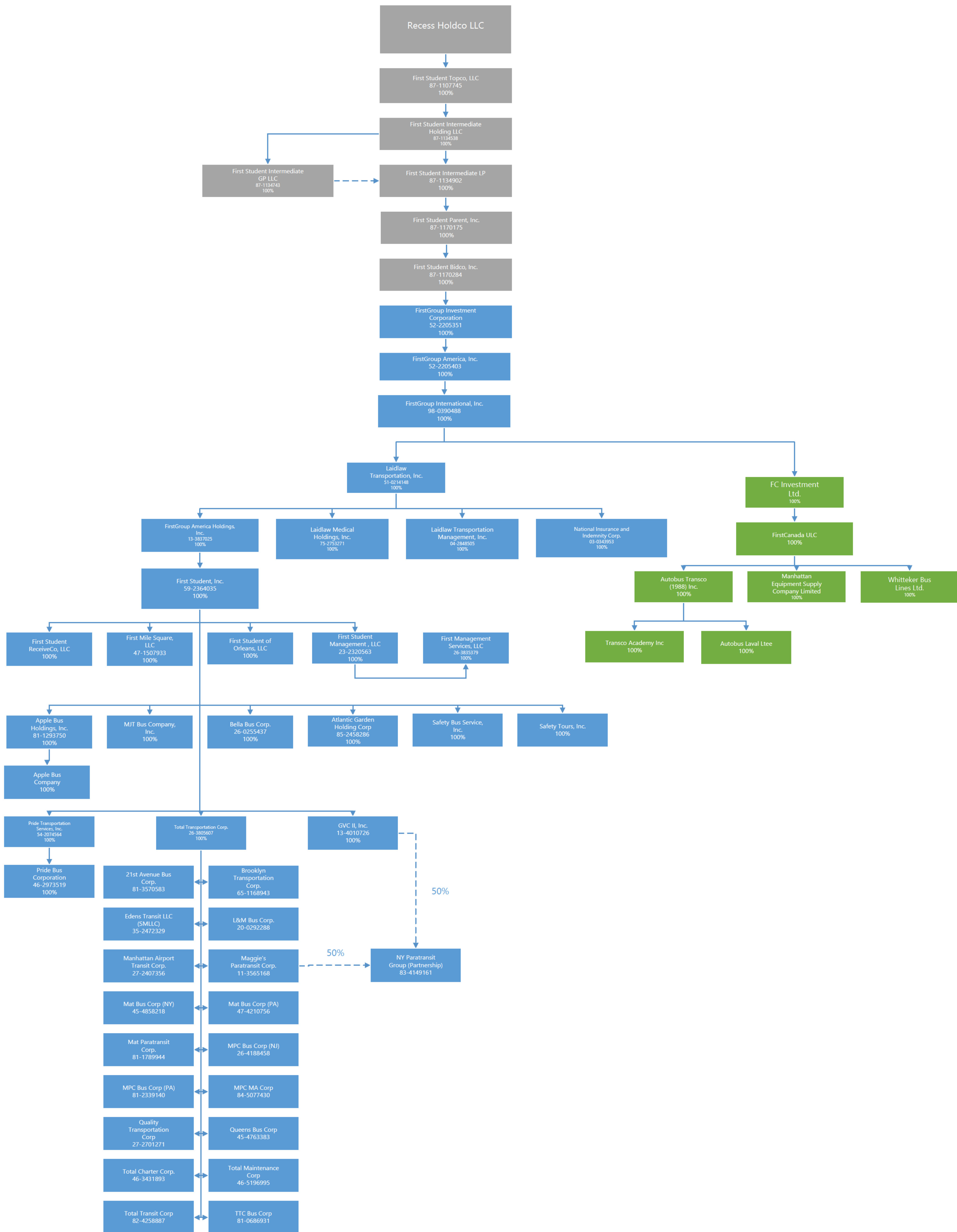
In 2020, the New York State Department of Human Rights (NYSDHR) filed a complaint against First Student alleging unlawful discriminatory practices relating to public accommodation and education arising from a bullying incident between students that occurred in 2019 on a First Student school bus. After investigation, the NYSDHR referred the matter to a September 2023 public hearing on the merits for October 2023. Prior to the hearing, the parties reached a stipulation of settlement encompassing monetary and non-monetary terms (e.g., revised school district policies, postings, training) and a 3-year compliance period. This stipulation of settlement has not impacted the contract with the school district.

On April 1, 2024, the United States Attorneys' Offices for the Northern District of New York (USAO), located in Albany, New York, issues to First Student a Civil Investigative Demand (CID) in connection with an investigation as to whether First Student had submitted or

caused to be submitted false claims to the United States in connection with federally funded grants and/or contracts relating to its compliance with driver/monitor/attendant training and hiring criteria/eligibility requirements. On June 5, 2024, First Student submitted its response to the USAO, detailing its hiring and training protocols and procedures, to include specifics surrounding its background check process and suite of training programs. At this time, First Student has received no further communications from the USAO with respect to the CID. The OSC has attended a meeting regarding this matter, but First Student is not otherwise aware of its involvement.

In 2018, the Office of Attorney General for the State of New York began an investigation into First Student's subsidiary (acquired by First Student 2022), Total Transportation, with allegedly engaged in excessive idling. In July 2024, the parties reached an Assurance of Discontinuance Agreement pursuant to which Total has agreed to engage in remedial measures including additional training and equipment to prevent future idling violations, Total is engaged in implementing those remedial measures.

Effective March 6, 2024, First Student and the United States Environmental Protection Agency, Region 1 (EPA) entered into a Consent Agreement and Final Order (CAFO) with respect to allegations that idling of motor vehicles in excess of three minutes had occurred at two (2) First Student locations in Connecticut. Pursuant to the CAFO, First Student agreed to (1) provide anti-idling training to its employees who operate school buses; (2) post "no excessive idling" signs at its facilities; (3) provide anti-idling coaching at its Connecticut locations; and (4) pay a monetary penalty to the EPA. First Student is engaged in implementing those remedial measures.





Here are the companies owned or managed by Total Transportation Corp.:

- L&M Bus Corp
- MAT Bus Corp (PA)
- MAT Bus Corp (NY)
- Quality Transportation Corp.
- Brooklyn Transportation Corp.
- Maggies Paratransit Corp.
- Total Transit Corp.
- MPC Bus Corp (NJ)
- MPC Bus Corp (PA)

Please note that L&M Bus Corp.is a subsidiary of First Student Inc.

First Student submits the attached financials with the understanding that the district will not use the financials for any purpose except in connection with First Student's response to the RFP and with the understanding that to the extent First Student compiled the financials in coordination with third party accounting firms, any reliance on the financials will be solely the responsibility of First Student.

If a public records request is made for First Student's proposal, including any information designated confidential, please alert us prior to release so that we may have the opportunity to redact and/or seek a protective order under applicable law.

CONFIDENTIAL AND PROPRIETARY

Please note that L&M Bus Corp. is a subsidiary of First Student Inc.

Recess Holdco LLC
CONSOLIDATED FINANCIAL STATEMENTS
For the fiscal years ended June 30, 2024, and June 24, 2023

Confidential and Proprietary

Please note that L&M Bus Corp.is a subsidiary of First Student Inc.

Recess Holdco LLC
CONSOLIDATED FINANCIAL STATEMENTS

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Confidential and Proprietary



RSM US LLP

Independent Auditor's Report

Recess Holdco LLC

Opinion

We have audited the consolidated financial statements of Recess Holdco LLC and its subsidiaries (the Company), which comprise the consolidated balance sheets as of June 30, 2024 and 2023, the related consolidated statements of operations, comprehensive income (loss), changes in member's capital and cash flows for the fiscal years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Recess Holdco LLC and its subsidiaries as of June 30, 2024 and June 24, 2023, and the results of their operations and their cash flows for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the financial statements as of and for the year ended June 24, 2023, have been restated for the correction of an error. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

THE PROPOSER BELIEVES THAT THIS INFORMATION IS PROTECTED FROM DISCLOSURE UNDER THE NYS FREEDOM OF INFORMATION LAW

THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING

Please note that L&M Bus Corp. is a subsidiary of First Student Inc.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

RSM US LLP

Cincinnati, Ohio
October 3, 2024

Please note that L&M Bus Corp.is a subsidiary of First Student Inc.

Recess Holdco LLC
Consolidated Statements of Operations
(Dollars in Millions)

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023 (As Restated)
Service revenues	\$ 3,732.8	\$ 3,264.3
Costs and expenses:		
Cost of services, excluding depreciation and amortization	(2,608.3)	(2,336.1)
Selling, general and administrative expenses	(582.9)	(569.6)
Depreciation and amortization	(432.4)	(415.9)
Income (loss) from operations	109.2	(57.3)
Other (expenses) income:		
Interest income	31.4	15.9
Interest expense	(269.1)	(230.3)
(Loss) gain on debt extinguishment	(3.0)	21.5
Other expenses	(1.5)	(2.0)
Loss from continuing operations before income tax benefit	(133.0)	(252.2)
Income tax benefit	42.8	86.3
Net loss from continuing operations	(90.2)	(165.9)
Net loss from discontinued operations	(7.8)	(10.6)
Net loss	\$ (98.0)	\$ (176.5)

The accompanying notes form an integral part of the Consolidated Statements of Operations.

Please note that L&M Bus Corp.is a subsidiary of First Student Inc.

Recess Holdco LLC

Consolidated Statements of Comprehensive Income (Loss) (Dollars in Millions)

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023 (As Restated)
Net loss	\$ (98.0)	\$ (176.5)
Other comprehensive (loss) income, net of tax		
(Loss) gain arising on cash flow hedges	(29.6)	29.6
Deferred tax on derivative hedging instrument movements	7.4	(8.2)
Actuarial gain on defined benefit pension schemes	0.6	2.5
Deferred tax on actuarial gain on defined benefit pension Schemes	(0.4)	(0.6)
Exchange differences on translation of foreign operations	(15.8)	(7.2)
Reclassification of foreign currency translation on discontinued operations	-	8.2
Total other comprehensive (loss) income, net of tax	(37.8)	24.3
Total comprehensive loss for the period	\$ (135.8)	\$ (152.2)

The accompanying notes form an integral part of the Consolidated Statements of Comprehensive Income (Loss).

Please note that L&M Bus Corp.is a subsidiary of First Student Inc.

Recess Holdco LLC
Consolidated Balance Sheets
(Dollars in Millions)

	As of June 30, 2024	As of June 24, 2023 (As Restated)
Assets		
Current assets:		
Cash	\$ 74.5	\$ 208.5
Restricted cash-current	42.6	-
Trade and other receivables, net	584.6	579.0
Prepaid expenses	67.6	79.7
Inventories, net	21.5	19.8
Other current assets	84.5	77.6
Total current assets	875.3	964.6
Restricted cash	480.4	656.8
Property, plant and equipment, net	1,725.5	1,781.3
Right of use assets, net	415.7	363.3
Intangible assets, net	1,379.6	1,461.9
Goodwill	1,515.5	1,507.9
Other assets	80.3	119.7
Total assets	\$ 6,472.3	\$ 6,855.5
Liabilities and member's capital		
Current liabilities:		
Trade and other payables	\$ 191.4	\$ 203.2
Accrued liabilities	151.5	290.3
Current portion of lease liabilities	108.5	96.1
Current portion of loans and other borrowings	51.3	118.6
Current portion of self-insurance liabilities	170.4	158.6
Other current liabilities	36.4	20.5
Total current liabilities	709.5	887.3
Lease liabilities	345.2	285.2
Loans and other borrowings, net	3,276.0	3,303.7
Retirement benefit liabilities	-	19.8
Deferred tax liabilities	338.2	424.7
Self-insurance liabilities	330.1	311.5
Other liabilities	50.5	63.0
Total liabilities	5,049.5	5,295.2
Commitments and contingent liabilities (see Note 18)		
Member's capital:		
Member's capital	1,674.3	1,670.8
Accumulated deficit	(295.1)	(191.9)
Accumulated other comprehensive income	43.6	81.4
Total member's capital	1,422.8	1,560.3
Total liabilities and member's capital	\$ 6,472.3	\$ 6,855.5

The accompanying notes form an integral part of the Consolidated Balance Sheets.

Please note that L&M Bus Corp.is a subsidiary of First Student Inc.

Recess Holdco LLC

Consolidated Statements of Changes in Member's Capital (Dollars in Millions)

	Member's capital	(Accumulated deficit) retained earnings	Accumulated other comprehensive income	Total member's capital
Balance as of June 25, 2022	\$ 1,312.5	\$ 6.2	\$ 57.1	\$ 1,375.8
Member's contribution	351.0	-	-	351.0
Distribution to members	-	(21.6)	-	(21.6)
Share-based compensation	7.3	-	-	7.3
Net loss for the period (As Restated)	-	(176.5)	-	(176.5)
Other comprehensive income for the period	-	-	24.3	24.3
Balance as of June 24, 2023(As Restated).	\$ 1,670.8	\$ (191.9)	\$ 81.4	\$ 1,560.3
Distribution to members	-	(5.2)	-	(5.2)
Share-based compensation	3.5	-	-	3.5
Net loss for the period	-	(98.0)	-	(98.0)
Other comprehensive loss for the period	-	-	(37.8)	(37.8)
Balance as of June 30, 2024	\$ 1,674.3	\$ (295.1)	\$ 43.6	\$ 1,422.8

The accompanying notes form an integral part of the Consolidated Statements of Changes in Member's Capital

Please note that L&M Bus Corp.is a subsidiary of First Student Inc.

Recess Holdco LLC
Consolidated Statements of Cash Flows
(Dollars in Millions)

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023 (AS Restated)
Operating activities		
Net loss from continuing operations	\$ (90.2)	\$ (165.9)
<i>Adjustments to reconcile net loss to net cash provided by operating activities:</i>		
Loss (gain) on disposal of property, plant and equipment	3.2	(5.5)
Depreciation including amortization of finance lease right-of-use assets	325.7	318.5
Amortization of intangible assets	106.7	97.4
Deferred income taxes	(77.3)	(44.0)
Loss (gain) on extinguishment of debt	3.0	(21.5)
Gain on investments	(8.5)	(2.4)
Share-based compensation expense	3.5	3.9
Non-cash contingent consideration	(10.6)	(21.0)
Non-cash interest expense	32.9	26.4
Non-cash interest income on interest rate caps	(72.0)	(39.1)
Non-cash operating lease expense	98.3	71.0
Provision for bad debt expense	1.1	0.8
Defined benefit pension payments in excess of income statement charge	1.1	1.3
Contribution to defined benefit plan	(22.2)	-
Foreign currency transactions	1.2	3.5
Net (gain) loss on fuel swaps	(13.5)	17.3
Cash settlement on derivatives	74.1	36.7
<i>Changes in operating assets and liabilities, net of effects of businesses acquired:</i>		
Increase in inventories	(1.9)	(2.8)
Increase in trade and other receivables	(6.7)	(88.8)
Decrease (increase) in prepaid expenses	12.6	(16.5)
Increase in other assets	(0.8)	-
Decrease in income tax receivable	2.5	5.5
(Decrease) increase in trade and other payables	(49.1)	57.1
Increase in deferred revenue	4.4	2.0
(Decrease) increase in accrued liabilities	(58.4)	44.0
Increase in income tax payables	21.3	1.8
Decrease in operating lease liabilities	(80.9)	(60.7)
Increase in self-insurance liabilities	19.3	42.7
Increase (decrease) in other liabilities	1.5	(4.7)
Net cash provided by operating activities – continuing operations	225.3	257.0
Net cash used in operating activities – discontinued operations	(21.8)	(100.2)
Net cash provided by operating activities – total operations	203.5	156.8
Investing activities		
Proceeds from disposal of property, plant and equipment	8.5	12.2
Purchase of property, plant and equipment	(292.8)	(326.1)
Proceeds from grant for electric vehicles	52.2	-
Acquisition of other businesses, net of cash acquired	(36.7)	(743.0)
Proceeds from sale of discontinued operations	-	443.7
Proceeds from sale of investments	13.7	12.4
Net cash used in investing activities – continuing operations	(255.1)	(600.8)
Net cash used in investing activities – discontinued operations	-	(12.3)
Net cash used in investing activities – total operations	(255.1)	(613.1)

Please note that L&M Bus Corp.is a subsidiary of First Student Inc.

Financing activities		
Proceeds from bank borrowings	169.2	934.0
Repayment of bank borrowings	(373.9)	(449.0)
Payment of debt issuance costs	-	(46.7)
Proceeds from working capital facility	457.0	328.0
Repayment of working capital facility	(475.0)	(250.0)
Repayment of finance leases	(24.7)	(28.3)
Proceeds from secured vehicle borrowing	124.1	162.9
Repayment of secured vehicle borrowing	(21.4)	(7.6)
Distribution to member	(5.2)	(21.6)
Net transfers from parent discontinued operations	-	(54.5)
Net cash (used in) provided by financing activities – continuing operations	(149.9)	567.2
Net cash (used in) provided by financing activities – discontinued operations	(66.0)	54.3
Net cash (used in) provided by financing activities – total operations	(215.9)	621.5
Net (decrease) increase in cash and restricted cash	(267.5)	165.2
Cash and restricted cash at beginning of period	865.3	700.0
Foreign exchange movements	(0.3)	0.1
Cash and restricted cash at end of the period	\$ 597.5	\$ 865.3
Supplemental disclosure of cash flow information:		
Non-cash property, plant and equipment additions	\$ (36.3)	\$ (12.9)
Non-cash member's contribution	-	351.0
Cash paid for interest	(269.6)	(177.4)
Cash received from interest	33.0	1.4
Cash paid for income taxes	(10.3)	(1.6)
Reconciliation of cash and restricted cash reported in the balance sheets:		
Cash	\$ 74.5	\$ 208.5
Restricted cash	523.0	656.8
Total cash and restricted cash	\$ 597.5	\$ 865.3

The accompanying notes form an integral part of the Consolidated Statements of Cash Flows.

Please note that L&M Bus Corp. is a subsidiary of First Student Inc.

Recess Holdco LLC
Notes to the Consolidated Financial Statements
(Dollars in Millions)

1. General information

Recess Holdco Inc., a Delaware corporation subsequently renamed to First Student Bidco Inc., is a wholly owned subsidiary of Recess Holdco LLC (“Recess” or the “Company” or “our” or “we”), a Delaware limited liability corporation. On April 22, 2021, Recess Holdco Inc. entered into a stock purchase agreement with FirstGroup plc, a company incorporated and publicly listed in the United Kingdom under the Companies Act 2006, pursuant to which Recess Holdco Inc. acquired all of the outstanding equity interests in FirstGroup Investment Corporation (“FGIC”) and First Transit, Inc., both Delaware corporations and wholly owned subsidiaries of FirstGroup plc (Predecessor Parent Group), on July 21, 2021 (the “Acquisition by EQT”). Recess was incorporated on May 18, 2021 and had no significant activity prior to the Acquisition by EQT. Recess had two divisions, First Student and First Transit, prior to the sale of First Transit discussed below.

The ultimate controlling party of the Company is EQT Partners (together with its controlled subsidiaries, the “Recess Parent Group” or “Company Parent Group”).

Business

Recess is the largest provider of K-12 student transportation in North America. The First Student division operates fleets comprising approximately 46,000 owned or operated yellow school buses across 43 states within the United States (“U.S.”) states and eight Canadian provinces.

On March 6, 2023, the Company completed the sale of First Transit to Transdev North America for a net purchase price of \$461.2 million in cash (the “FT Sale”). As a result of the FT Sale and in accordance with the accounting principles generally accepted in the United States of America (“U.S. GAAP”), the First Transit division is reported as discontinued operations, and the Company’s financial statements for prior periods have been conformed to present the First Transit division as a discontinued operation. Recess reports the financial results of discontinued operations separately from continuing operations to distinguish the financial impact of disposal transactions from ongoing operations. See Note 3- Discontinued operations for further information.

Unless otherwise noted, discussion in these notes refers to Recess continuing operations, comprised of the First Student and corporate divisions.

2. Statement of accounting policies

Basis of Preparation

The accompanying Consolidated Financial Statements of the Company has been prepared in conformity with U.S. GAAP.

The Consolidated Financial Statements consist of the Consolidated Balance Sheets as of June 30, 2024, and June 24, 2023, along with the related Consolidated Statements of Operations, Consolidated Statements of Comprehensive

Please note that L&M Bus Corp. is a subsidiary of First Student Inc.

Income (Loss), Consolidated Statements of Changes in Member's Capital, and Consolidated Statements of Cash Flows for the fiscal years ended June 30, 2024, and June 24, 2023.

The financial information as of and for the year ended June 24, 2023, are referred to as "June 2023", in the notes to the Consolidated Financial Statements when such information is used as comparative to the period as of and for the fiscal year ended June 30, 2024.

The Company's Board of Directors approved the change in the fiscal year from a 52-53 week fiscal year to the last calendar day of the month effective July 1, 2024. Following the change, the Company's fiscal year will end on June 30 in any given year. This change is not deemed a change in fiscal year for reporting purpose and hence a transition report is not presented. There are 53 weeks in fiscal year ended June 30, 2024 and 52 weeks in fiscal year ended June 24, 2023.

The Consolidated Financial Statements is presented in United States Dollars ("USD") with all values in millions and rounded to one decimal place except where otherwise indicated.

Restatement

In conjunction with the FT Sale, National Insurance and Indemnity Corporation ("NIIC"), a subsidiary and captive insurance company of the Company that insured both First Student and First Transit, commuted \$212.6 million of self-insurance liabilities to First Transit. NIIC had recorded a \$51.7 million deferred tax asset due to the timing difference of book expense versus tax expense related to the First Transit self-insurance liabilities.

As part of the return to provision exercise and preparation of NIIC's tax reconciliations associated with the NIIC financial statements for the year ended December 31, 2023, management identified that a \$51.7 million deferred tax asset related to the First Transit's self-insurance liabilities had not been correctly derecognized with the FT Sale. Further, this \$51.7 million of deferred tax asset should have been derecognized when determining the gain or loss on sale of discontinued operations in the fiscal year ended June 24, 2023.

As the \$51.7 million deferred tax asset was strictly related to the discontinued operations, it had no impact on the results of continuing operations and income tax benefit. The Company evaluated the materiality of these errors both qualitatively and quantitatively in accordance with Staff Accounting Bulletin ("SAB") No. 99, *Materiality* and SAB No. 108, *Considering the Effects of Prior Year Misstatements in Current Year Financial Statements*, and determined the effect of these corrections were material to the consolidated financial statements as of and for the year ended June 24, 2023. As a result, the Company restated its consolidated financial statements as of and for the year ended June 24, 2023 ("Restated 2023 Consolidated Financial Statements") in the Consolidated Financial Statements.

A reconciliation from the amounts previously reported to the restated amounts in the Restated 2023 Consolidated Financial Statements is provided for the impacted financial statement line items ("FSLI") below for: (i) the Consolidated Balance Sheet as of June 24, 2023; (ii) the Consolidated Statement of Operations for the year ended June 24, 2023; (iii) the Consolidated Statement of Comprehensive Income (Loss) for the year ended June 24, 2023; (iv) the Consolidated Statement of Changes in Member's Capital for the year ended June 24, 2023; and (v) the Consolidated Statement of Cash Flows for the year ended June 24, 2023. The amounts labeled "Restatement Adjustment" represent the effects of the restatement:

(i) Impacted FSLIs for the Consolidated Balance Sheet

		As of June 24, 2023		
	As Previously Reported	Restatement Adjustment	As Restated	
Deferred tax liabilities	\$ 373.0	\$ 51.7	\$ 424.7	
Total liabilities	\$ 5,237.4	\$ 51.7	\$ 5,289.1	
Accumulated deficit	\$ (140.2)	\$ (51.7)	\$ (191.9)	
Total member's capital	\$ 1,612.0	\$ (51.7)	\$ 1,560.3	

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(ii) Impacted FSLIs for the Consolidated Statement of Operations

	Fiscal Year Ended June 24, 2023			
	As Previously Reported		Restatement Adjustment	As Restated
Net gain (loss) from discontinued operations	\$ 41.1	\$	(51.7)	\$ (10.6)
Net loss	\$ (124.8)	\$	(51.7)	\$ (176.5)

(iii) Impacted FSLIs for the Consolidated Statement of Comprehensive Income (Loss)

	Fiscal Year Ended June 24, 2023			
	As Previously Reported		Restatement Adjustment	As Restated
Net loss	\$ (124.8)	\$	(51.7)	\$ (176.5)
Total comprehensive loss for the period	\$ (100.5)	\$	(51.7)	\$ (152.2)

(iii) Impacted FSLIs for the consolidated statement of change in member's capital

	Fiscal Year Ended June 24, 2023			
	As Previously Reported		Restatement Adjustment	As Restated
Net loss for the period	\$ (124.8)	\$	(51.7)	\$ (176.5)
Accumulated deficit	\$ (140.2)	\$	(51.7)	\$ (191.9)
Balance as of June 24, 2023	\$ (140.2)	\$	(51.7)	\$ (191.9)

(iv) Impacted FSLIs for the consolidated statement of cash flows

	Fiscal Year Ended June 24, 2023			
	As Previously Reported		Restatement Adjustment	As Restated
Operating activities				
<i>Adjustments to reconcile net loss to net cash provided by operating activities:</i>				
Deferred income taxes	\$ (95.7)	\$	51.7	\$ (44.0)
Net cash provided by operating activities – continuing operations	\$ 205.3	\$	51.7	\$ 257.0
Net cash used in operating activities – discontinued operations	\$ (48.5)	\$	(51.7)	\$ (100.2)

The remainder of the notes to the Company's consolidated financial statements as of and for the year ended June 24, 2023, have been updated and restated, as applicable, to reflect the impact of the Restatement Adjustment described above. See Note 3 – Discontinued operations and Note 6 – Income tax for further information.

Reclassifications

When necessary, certain prior period balances have been reclassified to conform to the current period presentation and are not material to our consolidated financial statements and the accompanying notes.

Basis of Consolidation

The Consolidated Financial Statements includes the accounts and operations of Recess, inclusive of its wholly owned subsidiaries, in accordance with U.S. GAAP. All intercompany assets and liabilities, equity, income, expense, and cash flows relating to transactions between Recess and its subsidiaries are eliminated in consolidation.

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Significant Accounting Policies

The accounting policies applied and disclosed below are consistent for all periods presented, unless otherwise stated, and there has been no significant impact to those accounting policies as a result of new standards adopted as of and for the fiscal years ended June 30, 2024, and June 24, 2023. These Consolidated Financial Statements apply consistently the accounting policies, and the material estimates and judgments made unless otherwise stated.

Use of Estimates

The preparation of financial statements, in conformity with U.S. GAAP, requires management to make estimates, judgments and assumptions during the preparation of the Consolidated Financial Statements that affect the amounts reported in the Consolidated Financial Statements and the accompanying notes.

Significant items subject to such estimates, judgments and assumptions include, but are not limited to, self-insurance, defined benefit pension plans, determining the incremental borrowing rate used to measure lease liabilities, uncertain tax positions, derivatives, contingent consideration, the roll-over equity issued by Recess Topco Partnership LP ("Topco"), a member of the Recess Parent Group and indirect owner of Recess, and impairment of goodwill and indefinite lived intangible assets. These estimates are based on management's knowledge about current events and expectations about actions it may undertake in the future. Actual results could differ materially from those estimates.

Discontinued Operations

The disposal of a business component or a group of components is reported as discontinued operations if the disposal represents a strategic shift that has or will have a major impact on the Company's results of operation and financial results. The results of discontinued operations are aggregated and presented separately in the Company's Consolidated Financial Statements.

Business Combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The fair value of the consideration issued is allocated to the assets acquired and liabilities assumed. Acquisition-related costs are recognized in the Consolidated Statements of Operations as incurred.

When the Company acquires a business, the total purchase consideration provided is allocated to the identifiable assets and liabilities of the acquired business at their estimated fair values. Any excess consideration of the fair value of purchase consideration over the fair values of assets acquired and liabilities assumed is recognized as goodwill. Significant management judgments and assumptions are required in determining the fair value of assets acquired and liabilities assumed. Significant estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows, useful lives and discount rates. Measurement period adjustments to fair value are reflected at the time identified, up through the conclusion of the measurement period, which is the time at which all information for determination of the fair values of assets acquired and liabilities assumed is received and is not to exceed one year from the acquisition date. The Company may record adjustments to the fair value of these tangible and intangible assets acquired and liabilities assumed, with the corresponding offset to goodwill.

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Segment Information

On March 6, 2023, the Company completed the FT sale and, as a result, now operates a single reportable segment, First Student, within continuing operations. Accordingly, the Chief Operating Decision Maker ("CODM") allocates resources and assesses performance on a consolidated basis. The Company's identified CODM is the Chief Executive Officer.

Prior to FT Sale, the Company had two reportable segments, First Transit and First Student. As First Transit is presented as discontinued operations in the Consolidated Financial Statements, the disclosure requirements of ASC 280, *Segment Reporting*, do not apply.

Goodwill and Other Intangible Assets

Goodwill

Goodwill is calculated as the excess of the purchase consideration paid in the acquisition of a business over the fair value of the identifiable assets acquired and liabilities assumed.

Goodwill is reviewed annually at the fiscal year-end for impairment, at the reporting unit level, or when there is evidence that events or changes in circumstances indicate that the Company's carrying amount may not be recovered. A reporting unit is an operating segment or a component of an operating segment. The Company assesses the value of goodwill under either a qualitative or quantitative approach.

Under a qualitative approach, the Company considers various market factors, including applicable key assumptions. These factors are analyzed to determine if events and circumstances could reasonably have affected the fair value of goodwill. If the Company determines that it is more likely than not that reporting unit goodwill is impaired, the quantitative approach is used to assess the reporting unit fair value and the amount of the impairment. Under a quantitative approach, the estimated fair value of the reporting unit is based on a projected discounted cash flow model that includes significant assumptions and estimates, including discount rate, growth rate, and future financial performance. Valuations of similar companies that are public may also be evaluated when assessing the fair value of the reporting unit. If the carrying value of the reporting unit exceeds the fair value, then an impairment loss is recognized for the difference.

Subsequent to the FT Sale, the Company manages its business as one operating segment. The reporting unit, which corresponds to the operating segment, is used for the purpose of impairment testing. This single reporting unit represents the consolidated business.

Other Intangible Assets

The Company recognizes an acquired intangible asset apart from goodwill whenever the intangible asset arises from contractual or other legal rights, or when it can be separated or divided from the acquired entity and sold, transferred, licensed, rented or exchanged, either individually or in combination with a related contract, asset or liability. Such intangible assets are carried at cost less accumulated amortization, computed using the straight-line method over the estimated useful life, less any impairment loss. Impairment losses are recognized if the carrying amount of an intangible asset subject to amortization is not recoverable from expected future cash flows, and its carrying amount exceeds its fair value.

Computer software is recognized separately as an intangible asset and is carried at cost less accumulated amortization and accumulated impairment losses. The Company capitalizes certain external costs related to the acquisition and development of internal use software during the application development and implementation stages of the project. Costs incurred during the preliminary project, or the post implementation or operation stages of the projects are expensed as incurred. The Company evaluates internal use software for impairment on an annual basis,

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and if it is determined the value of asset was not recoverable or it qualifies of impairment, a charge will be recorded to write down the software to the lower of its carrying value or fair value.

The Company has finite-lived trademarks that arose from the acquisition of Total Transportation Corp ("TTC", see Note 4- Acquisitions).

The existing finite-lived intangible assets do not have a residual value and are amortized on a straight-line basis over their economic useful lives as follows:

- Customer contracts – over the estimated life of the contract (7 to 24 years)
- Software – over the estimated life of the software (3 to 10 years)
- Trademark – over the estimated life of the trademark (20 years)

Additionally, the Company has an indefinite-lived trademark that arose as a result of the Acquisition by EQT. The Company evaluates indefinite-lived intangible assets annually, or when evidence of potential impairment exists. The Company evaluates several qualitative indicators and assumptions, and trends that influence the valuation of the assets to determine if any evidence of potential impairment exists.

Service Revenue Recognition

The Company recognizes service revenue in accordance with ASC 606, *Revenue from Contracts with Customers*. Service revenue is recognized when control of a good or service transfers to the customer. The point at which goods and services are transferred to the customer is based on the fulfillment of performance obligations.

The Company determines revenue recognition through the following steps:

- identification of a contract with a customer;
- identification of the performance obligation(s) in the contract;
- determination of the transaction price;
- allocation of the transaction price to the performance obligation(s) in the contract; and
- recognition of revenue when or as the performance obligation(s) are satisfied.

As the Company has the right to consideration corresponding directly with the value of performance completed to date, customer service revenue is recognized consistent with the amount that the Company has the right to invoice. The Company has therefore adopted the practical expedient not to disclose transaction prices allocated to unsatisfied performance obligations at the end of each reporting period, respectively.

Service revenue principally comprises revenue from road passenger transport, and certain management and maintenance services in North America. Where appropriate, amounts are shown net of customer rebates and sales taxes. If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation.

An explanation of the types of service revenue is set out below with the corresponding timing of satisfaction of performance obligations:

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Contract Revenues

Contract revenues mainly relate to revenue from home to school contracts. Contract revenues are recognized as the services are provided over the length of the contract and based on a transactional price which is defined in the terms of the contract.

Charter/Private Hire

Charter and private hire predominantly relate to charter work for school districts with extracurricular activities and third parties with general transportation needs. Revenue is recognized over the period in which the charter/private hire is provided to the customer.

Other

Other revenue mainly relates to paratransit revenues from the TTC acquisition, rental revenues for bus rentals to clients, and certain management and maintenance services. Such revenue is recognized over time as services are provided.

Payment Terms

Under the typical payment terms of the Company customer contracts, there is no significant financing component as customers pay in periodic intervals that are less than one year.

Interest Income

Interest income on restricted loss escrow funds with third party administrators, is recognized on an accrual basis.

Leases

The Company's lease arrangements primarily relate to passenger carrying vehicles ("PCVs") and real estate where the Company is the lessee. At the inception of a contract, the Company determines whether an arrangement is or contains a lease and classify it as either an operating or finance lease. The lease is classified as a finance lease if one of the following criteria are met: 1) the lease transfers ownership of the asset by the end of the lease term, 2) the lease contains an option to purchase the asset that is reasonably certain to be exercised, or 3) the lease term is for a major part of the remaining useful life of the asset or the present value of the lease payments equals or exceeds substantially all of the fair value of the asset. A lease is classified as an operating lease if it does not meet any of these criteria.

The Company's leases generally have initial terms ranging from 3 to 10 years and may include options to purchase, extend or terminate the lease, which are recognized when the Company is reasonably certain to exercise that option. The Company does not combine lease and non-lease components. The non-lease components are separately expensed as incurred.

The Company recognizes right-of-use ("ROU") asset and lease liability for their finance and operating leases. The lease liability is recognized at the commencement date based on the present value of future minimum lease payments over the lease term, using the interest rate implicit in the lease or, if that rate cannot be readily determined, an incremental borrowing rate for the same term as the underlying lease. The incremental borrowing rate is determined by taking the risk-free rate and adjusting it for the Company's credit rating.

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The ROU asset is measured based on the corresponding lease liabilities, adjusted for any initial direct costs and prepaid lease payments made to the lessor before or at the commencement date (net of lease incentives). All ROU assets are reviewed for impairment.

Finance lease ROU assets are depreciated over the shorter of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

Lease expense for operating leases is recognized on a straight-line basis over the lease term. Variable lease payments are not included in the calculation of the ROU asset and the related lease liability and are recognized as this lease expense is incurred. Lease expense for finance leases consists of the depreciation of the ROU asset on a straight-line basis over the lease term and interest expense determined on an amortized cost basis. The lease payments are allocated between a reduction of the lease liability and interest expense.

The Company has elected the short-term lease measurement and recognition exemption and do not recognize ROU assets or lease liabilities for operating leases with terms of 12 months or less. Lease costs for short-term leases are recognized on a straight-line basis over the lease term. The Company's leases do not contain significantly restrictive covenants or residual value guarantees.

See Note 14 - Leases for further information.

Foreign Currency Translation

Foreign currency translation adjustments are recognized in other comprehensive income (loss) in the Consolidated Statements of Comprehensive Income (Loss) for changes between the foreign subsidiaries' functional currency and the U.S. dollar. Foreign currency translation gains and losses are included in the accumulated other comprehensive income, net of taxes in the Consolidated Balance Sheets until such time that the subsidiaries are either sold or substantially liquidated.

Retirement Benefit Costs

The Company operates or participates in a number of pension plans, which include both defined contribution plans and defined benefit plans.

Defined contribution plans

Payments to defined contribution plans are charged to expense as incurred.

Defined benefit plans

The Company has pension plans in the United States and Canada, covering the Company's former and current employees. All benefit accruals under the U.S. defined benefit pension plans are frozen.

The Company accounts for those plans in accordance with ASC 715, *Compensation – Retirement Benefits*, which include various actuarial assumptions, including discount rates, assumed rates of return, compensation increases, turnover rates and health care cost trend rates. The Company measures plan assets and benefit obligations at the fiscal year-end.

The funded status of the Company's defined benefit plans is the difference between the fair value of plan assets and the discounted accumulated benefit obligations to plan participants. The overfunded or underfunded status of the

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plans is reported in Other asset or Retirement benefit liabilities, respectively, in the Consolidated Balance Sheets. The defined benefit plan was overfunded as of June 30, 2024, and underfunded as of June 24, 2023.

The funded status is generally re-measured annually at year end using the fair value of plans assets, market-based discount rates and actuarial assumptions. Changes in the funded status of the plans as a result of re-measuring plan assets and benefit obligations, are recorded to accumulated comprehensive income and amortized into expense using a corridor approach. The Company's corridor approach amortizes into earnings variances in plan assets and benefit obligations that are a result of the previous measurement assumptions when the net deferred variances exceed 10% of the greater of the market value of plan assets or the benefit obligation at the beginning of the year. The amount in excess of the corridor is amortized over the average remaining service period to retirement date of active plan participants.

Cost adjustments for plan amendments are also deferred and amortized over the expected working life or the life expectancy of plan participants. Irrevocable settlement transactions that relieve the Company from responsibilities of providing retiree benefits and significantly eliminate the Company's related risk may result in recognition of gains or losses from accumulated other comprehensive income. The plan's investment returns, interest expense, settlements and other non-service cost components of retiree benefits are reported in other income and expense included in loss from continuing operations before income tax benefit in the Consolidated Statements of Operations. See Note 21- Retirement Benefit Plans for further information.

Income Taxes

The Company follows the asset and liability method of accounting for income taxes under ASC 740, *Income Taxes*. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to temporary differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that is included in the enactment date. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

Deferred income tax assets are evaluated to determine if valuation allowances are required or should be adjusted. Valuation allowances are established based on a more likely than not standard. The ability to realize deferred tax assets depends on the Company's ability to generate sufficient taxable income within the carryback or carryforward periods provided for in the tax law for each tax jurisdiction. The Company considers various possible sources of taxable income when assessing the realization of its deferred tax assets. The valuation allowances recorded against deferred tax assets generated by taxable losses in certain jurisdictions will affect the provision for income taxes until the valuation allowances are released. The Company's provision for income taxes will include no tax benefit for losses incurred and no tax expense with respect to income generated in these jurisdictions until the respective valuation allowance is eliminated.

The Company records uncertain tax positions on the basis of a two-step process whereby it is determined whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position, and for those tax positions that meet the more likely than not criteria, the largest amount of tax benefit that is greater than 50% likely to be realized upon ultimate settlement with the related tax authority is recognized. The Company recognizes accrued interest and penalties related to unrecognized tax benefits in income tax expense.

Cash

Cash consists of unrestricted cash comprised of deposits held with banks. The Company does not have any highly liquid investments with an original maturity of three months or less when purchased that would be classified as cash equivalents. Cash is stated at cost, which approximates fair value.

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Restricted Cash

Restricted cash includes the loss escrow funds maintained by various third-party administrators to provide a source of funds for use by the administrators for payment of the self-insurance liability for losses and loss adjustment expenses in accordance with agreements between the administrators and the Company. This cash is restricted as long as the Company maintains the self-insurance liability. Additionally, restricted cash also includes grant money received from government bodies to purchase electric vehicles and related infrastructure. Restricted cash is stated at cost, which approximates fair value.

Trade and Other Receivables

Trade and other receivables are reported net of allowances for credit losses. They are due within one year and arise from rendering services. The Company maintains allowances for credit losses for estimated losses resulting from the inability of customers to make the required payments. The Company estimates the allowance for credit losses based on a variety of factors including the length of time receivables are past due, the financial health of customers, unusual macroeconomic conditions, and historical experience. Account balances were written off after collection efforts have been made and potential recovery is considered remote. The Company recognized an allowance for credit losses of \$2.1 million as of June 30, 2024 (June 2023: \$1.7 million).

Trade and other receivables also include unbilled receivables. Unbilled receivables represent amount recorded that have not been billed to customers in accordance with applicable contract terms.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost includes direct material and, where applicable, direct labor costs and those overheads costs that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Investments

The Company invests in corporate-owned life insurance policies for key personnel. Certain of these policies may fund amounts due under the deferred compensation plan but are not required to fund that plan. The investments in these corporate-owned life insurance policies are recorded at their cash surrender values, which approximates fair values at the balance sheet date. Additional information regarding the investments in corporate-owned life insurance policies. Changes in the cash surrender value of the investments and settlement of policies are recognized in the Consolidated Statements of Operations.

As part of the acquisition of TTC (see Note 4- Acquisitions), Recess acquired debt securities. Investments in debt securities are classified as trading, held-to-maturity or available-for-sale. Trading securities represent investments that are bought and sold principally for the purpose of selling in the near term. Held-to-maturity securities represent investments that the Company has both the ability and intent to hold to maturity. Available-for-sale securities represent investments in debt securities that are not classified as either trading or held-to-maturity. The investments acquired as part of the TTC transaction were classified as trading under U.S. GAAP. As a result, changes in the fair value of the investments are recognized in the Consolidated Statements of Operations. These investments were sold prior to June 24, 2023.

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Property, Plant and Equipment

Properties for provision of services or administrative purposes are carried at cost, less accumulated depreciation and any recognized impairment loss, unless acquired in a business combination in which case such properties are recorded at fair value at date of acquisition. Cost includes direct costs, transport fees, professional fees and other costs required to prepare the asset for use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Passenger carrying vehicles and other plant and equipment are stated at cost less accumulated depreciation and any recognized impairment loss.

Depreciation is charged so as to write off the cost of assets, other than land, the land element of long leasehold properties or on assets in the course of construction, over their estimated useful lives, using the straight-line method, on the following bases:

Land and buildings	50 years straight-line for buildings only; land is not depreciated
Passenger carrying vehicles	5 to 15 years straight-line
Machinery and equipment	3 to 25 years straight-line

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Consolidated Statements of Operations.

Impairment of Long-lived Assets

The Company performs a recoverability assessment of each of its long-lived assets whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. Indicators may include, but are not limited to, adverse changes in the regulatory environment in a jurisdiction where the Company operates, a decision to discontinue the development of a long-lived asset, early termination of a significant customer contract, or the introduction of newer technology.

When performing a recoverability assessment, the Company measures whether the estimated future undiscounted net cash flows expected to be generated by the asset or asset group exceeds its carrying value. In the event that an asset or asset group does not meet the recoverability test, the carrying value of the asset or asset group will be adjusted to fair value resulting in an impairment charge.

Share-Based Payments

The Company and its parent owner sponsor two share-based payment plans.

Fair value is measured by the use of valuation models appropriate to the particular share-based plans. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations. The Company accounts for forfeitures when they occur and recognizes compensation cost over the requisite service period on a straight-line basis.

Equity-Classified Awards

Recess Parent Group sponsors the Management Participation Plan ("MPP"), which provides participating employees restricted share units in Recess Parent Group. These awards are equity classified. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value is expensed on a straight-line basis over the vesting period, based on the Parent Group's estimate of shares that will eventually vest and is adjusted for the effects of non-market-based vesting conditions. Some of the Company's equity-classified incentive units include a performance condition requiring distributions to other equity holders in Recess Parent Group prior to those restricted share units vesting. As a result, compensation cost on those awards including the performance condition will only be recognized when it is probable the performance condition will be satisfied.

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Liability-Classified Awards

Recess Parent Group sponsors the Phantom Share Plan ("PSP"), which provides participating employees phantom share units that have time-based vesting conditions. These awards are liability classified. The Company classifies certain awards that can or will be settled in cash as liability awards. The fair value of a liability-classified award is determined at each reporting date beginning at the grant date through the settlement. As the liability associated with the payment of these awards is Recess Parent Group's, no liability is recorded by the Company. The Company records the offset to the compensation cost as an equity contribution from Topco, who will pay the liability associated with these awards. The compensation cost of the PSP awards is recognized over the explicit service period on a straight-line basis.

See Note 20- Share-Based Payments for further information.

Derivative Financial Instruments

The Company records all derivative financial instrument contracts at fair value in its Consolidated Balance Sheets.

The Company utilizes fuel swap derivative financial instrument contracts to attempt to reduce exposure to fuel price fluctuations. The Company does not enter into such contracts for trading purposes. Changes in assets and liabilities from fuel swap derivative financial instruments result primarily from changes in market prices, newly originated transactions, and the timing of settlements and are reported within cost of services on the Consolidated Statements of Operations, along with related settlements.

Commodity price risk is the risk that the market value of fuel products will change, either favorably or unfavorably, in response to changing market conditions. Credit risk is the risk of loss from nonperformance by suppliers, customers or financial counterparties to a contract. Procedures and limits for managing commodity price risks and credit risks are specified in our market risk policy and credit policy, respectively. Open commodity positions and market price changes are monitored daily and are reported to senior management and to marketing operations personnel. Credit risk is monitored daily, and exposure is minimized through customer deposits, letters of credit, monitoring customer receivables relative to previously approved credit limits, restrictions on product liftings, reviewing the receivable aging and suspending sales to customers that have not timely paid outstanding invoices.

Cash Flow Hedges

The Company is exposed to interest rate risk on our variable rate borrowings. The Company currently uses interest rate caps to manage exposure to interest rate changes and has designated these interest rate caps as cash flow hedges for accounting purposes. The Company accounts for these interest rate caps in accordance with ASC 815, *Derivatives and Hedging*, which requires companies to recognize all derivative instruments as either assets or liabilities at fair value in the balance sheet. The Company records the effective portion of changes in the fair value of its cash flow hedges to accumulated other comprehensive income and subsequently reclassifies these amounts into earnings in the period during which the hedged transaction is recognized.

Self-Insurance

The Company is generally self-insured for claims related to general liability, auto liability claims and workers' compensation. The Company uses third party insurance in certain instances to partially mitigate the risk related to these potential losses. Self-insurance reserves are established for general liability, auto liability claims and workers' compensation. These reserves are determined based on actual claims experience and an estimate of claims incurred but not reported including, where necessary, actuarial studies. Actuarial projections of losses for general liability, auto liability, and workers' compensation claims are discounted.

Government Grants

Please note that L&M Bus Corp.is a subsidiary of First Student Inc.

The U.S. Environmental Protection Agency (EPA) awarded the Company grants as part of its new Clean School Bus Program to cover the cost of replacing fossil fuel school buses with zero-emission and low-emission school buses and related charging infrastructure. The Company received \$44.9 million in grants during the year ended June 30, 2024 (June 2023: \$0.0 million) and may receive up to an additional \$9.8 million for EPA Round 1 grants. The Company is required to purchase the school buses on or before October 31, 2024, with a possible 3-month extension as part of the EPA Round 1 guidelines. The Company was also awarded \$146.0 million as part of the EPA Round 2 grants but has yet to receive the grants.

The grant money received is recorded as restricted cash with a corresponding liability recorded in trade and other payables in the Consolidated Balance Sheets. Once the school buses are delivered and capitalized, the grant money will reduce the cost of property, plant and equipment.

The Company also received several smaller State Government grants to purchase electric vehicles and related infrastructures amounting to \$7.3 million during the year ended June 30, 2024 (June 2023: \$0.0 million). The electric vehicles were delivered and capitalized, and the grant money was reduced from the cost of property plant and equipment.

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board (“FASB”) that are adopted by the Company as of the specified effective date.

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. The amendments in 2023-09 aim to enhance the transparency and decision usefulness of income tax disclosures. ASU 2023-09 is effective for the Company's Consolidated Financial Statements for the year ended December 31, 2025, with early adoption permitted. The Company is currently evaluating the impact of this standard on its Consolidated Financial Statements.

In March 2024, the FASB issued ASU No. 2024-01, Stock Compensation (Topic 718), which clarifies how an entity determines whether a profits interest or similar award is within the scope of ASC 718 or not a share-based payment arrangement and therefore within the scope of other guidance. The Company accounts for all stock compensation plans per Topic 718 and hence there will be no additional impact of this standard on its Consolidated Financial Statements.

3. Discontinued operations

The Company closed on the sale of First Transit Inc. to Transdev North America on March 6, 2023, for net sale consideration of \$461.2 million. The results of First Transit are reported as discontinued operations in all periods presented, and the loss from the sale is also reported as discontinued operations.

The contingent consideration due to Predecessor Parent Group amounting to \$3.9 million and certain First Transit legal settlements amounting to \$3.9 million was finalized during the year ended June 30, 2024, and were recorded as adjustment to amounts reported in discontinued operations.

Result of Operations and Cash Flow Information

The statements of operations and cash flow information for the discontinued operations are as follows:

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023
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Please note that L&M Bus Corp. is a subsidiary of First Student Inc.

		(As Restated)
Service revenues	\$ -	\$ 1,083.7
Costs and expenses:		
Cost of services, excluding depreciation and amortization	-	(831.1)
Selling, general and administrative expenses	(7.8)	(221.5)
Depreciation and amortization	-	(12.4)
(Loss) income from operations	(7.8)	18.7
Other (expenses) income:		
Interest expense	-	(13.7)
(Loss) income before income tax expense	(7.8)	5.0
Income tax benefit	-	6.8
Loss on sale of division	-	(22.4)
Net loss from discontinued operations	\$ (7.8)	\$ (10.6)

Service revenues includes \$0.0 million for the fiscal year ended June 30, 2024 (June 2023: \$1.9 million) of compensatory revenue agreed upon with customers in relation to coronavirus for First Transit. Interest expense includes \$0.0 million interest on long-term debt allocated to discontinued operations for the fiscal year ended June 30, 2024 (June 2023: \$9.5 million).

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023 (As Restated)
Net cash used in operating activities- discontinued operations	\$ (21.8)	\$ (100.2)
Net cash used in investing activities- discontinued operations	-	(12.3)
Net cash (used in) provided by financing activities – discontinued operations	(66.0)	54.3
Net decrease in cash generated from discontinued operations	\$ (87.8)	\$ (58.2)

4. Acquisitions

Acquisitions in the fiscal year ended June 30, 2024

The Company acquired a number of businesses during the fiscal year ended June 30, 2024, for a total consideration, net of cash acquired of \$ 36.7 million, which included finalization of the purchase price allocation for certain prior year acquisitions during their measurement period. This is part of the Company's capital allocation strategy to expand its school transportation business in North America. Goodwill arising from these acquisitions primarily represents the estimated future economic benefits arising from the other assets acquired that could not be individually identified and separately recognized such as the assembled workforce. The acquired goodwill is expected to be deductible for federal income tax purposes.

Tumbleweed Education Enterprise

On June 30, 2023, the Company closed its acquisition of Tumbleweed Education Enterprise, headquartered in Los Angeles, CA. The purchase price of \$5.2 million was settled in cash.

Badger Bus Lines

On August 4, 2023, the Company closed its acquisition of Badger Bus Lines, headquartered in Madison, Wisconsin. The purchase consideration was \$11.0 million with the consideration settled in cash.

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Stock Transportation's Nova Scotia

On August 4, 2023, the Company closed its acquisition of Stock Transportation's Nova Scotia, with two locations in Halifax and Cambridge Nova Scotia. The purchase consideration was \$9.2 million with the consideration settled in cash.

C.J.'s Bus Supplies & Services, Inc.

On May 31, 2024, the company closed its acquisition of C.J.'s Bus Supplies & Services, Inc, headquartered in Pittsgrove, New Jersey. The purchase consideration was \$9.1 million with the consideration settled in cash.

The following presents the fair value of assets acquired and liabilities assumed from the acquisitions during the fiscal year June 30, 2024:

Assets	
Intangible assets	\$ 7.2
Property, plant and equipment	19.7
Right of use assets	6.3
Trade and other receivables	0.1
Total assets	33.3
Liabilities	
Operating lease liabilities	6.3
Total liabilities	6.3
Net assets	27.0
Goodwill arising on acquisition	7.5
Purchase consideration transferred	\$ 34.5

Outflows of cash to acquire these businesses, net of cash acquired is \$34.5 million.

Additionally, there were measurement period adjustments for the smaller acquisitions that occurred during the last quarter of fiscal year ended June 24, 2023. These adjustments resulted in a decrease to the net assets acquired of \$4.7 million and an increase to goodwill for \$3.5 million. Outflow of cash for the measurement period adjustments was \$2.2 million.

Acquisitions in the fiscal year ended June 24, 2023

Total Transportation Acquisition.

On June 30, 2022, the Company closed its previously announced agreement to purchase 100% of the equity interest in TTC, headquartered in Brooklyn, New York, for total consideration of \$1,080.6 million. The acquisition effectively expands the Company's presence in the New York market. The fair value of assets acquired, and liabilities assumed as of the date of acquisition are as follows:

Assets	
Cash	\$ 36.6
Restricted cash	15.9
Intangible assets	556.4
Property, plant and equipment	64.4
Right of use assets	59.4
Investments in debt securities	12.4
Trade and other receivables	64.0

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Prepays	4.4
Total assets	813.5
Liabilities	
Trade and other payables	17.0
Self-insurance liabilities	23.3
Operating lease liabilities	59.4
Deferred tax liabilities	162.9
Total liabilities	262.6
Net assets	550.9
Goodwill arising on acquisition	529.7
Purchase consideration transferred	\$ 1,080.6

Intangible assets comprised of acquired customer contracts and trademarks.

The fair value of acquired customer contracts was determined using the multi-period excess earnings method. Under this method, the fair value, \$534.8 million, represents the amount a hypothetical buyer would be willing to pay to acquire the future cash flows expected to arise solely from those relationships.

The fair value of the trademarks, \$21.6 million, was determined using relief from royalty method. The principle behind this method is that the value of the asset is equal to the present value of the after-tax royalty savings attributable to owning the asset.

The purchase price took into account future income expectations, which support the excess amount paid as compared to the fair value of the assets acquired and liabilities assumed, resulting in the recognition of goodwill. The goodwill of \$529.7 million comprises assets which are not separately recognizable as they do not fulfil the separate recognition criteria as intangible assets under ASC 350, *Intangibles- Goodwill and Other*, such as synergies, future growth prospects or skilled and trained workforces. None of the goodwill recognized is expected to be deductible for income tax purposes.

Acquisition-related costs

Transaction costs of \$13.2 million have been expensed and are included in Selling, general and administrative expense in the Consolidated Statements of Operations and are part of operating cash flows in the Consolidated Statements of Cash Flows. See Note 15- Loans and other borrowings for costs associated to the 2022 Incremental Term Loans used to finance the TTC acquisition.

Revenue and net income contribution

Revenue of \$406.5 million and net income of \$64.7 million from TTC has been recognized in the Consolidated Statements of Operations for the period from June 30, 2022 to June 24, 2023. If the acquisition had occurred at the beginning of the annual reporting period, the Company would have recorded a combined revenue, excluding discontinued operations, of \$3,264.3 million and net loss of \$165.9 million during the fiscal year ended June 24, 2023.

Purchase consideration

The purchase price of \$1,080.6 million reflects the cash consideration paid by Recess of \$696.6 million and roll-over equity of \$251.0 million and seller notes \$100.0 million issued by Topco. The roll-over equity consists of

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preferred and common units of Topco. The fair value of the roll-over equity was determined based on third-party valuation. The preferred units were fair valued based on the difference between the estimated credit spread of the Company and the annual coupon on the preferred units, and the common units were fair valued using the Geometric Brownian Motion in a risk-neutral framework. Immediately after Topco purchased its portion of TTC, those shares in TTC were contributed to Recess, making Recess the 100% owner of TTC. As a result, Recess reflects the fair value of the consideration given by Topco, a total of \$351.0 million, as a non-cash equity contribution from its parent as, in effect, part of Recess's acquisition of TTC was funded by Topco.

In addition, the Company is required to pay the acquiree an additional contingent consideration equal to the amount by which the acquired company's business EBITDA, as defined in the purchase agreement, for the year ended December 31, 2026, exceeds \$188.7 million, multiplied by five. The contingent consideration is liability classified and is not capped. The fair value of the contingent consideration included in the purchase consideration is \$33.0 million.

Cash consideration	\$	696.6
Less: Cash balances acquired		(52.5)
Net outflow of cash - investing activities	\$	644.1

Intercar Inc. Acquisition

On August 5, 2022, the Company closed its acquisition of Intercar Inc. Intercar currently has a fleet of more than 113 vehicles and provides home to school, shuttle and coach services. The purchase price was \$10.2 million in cash.

Barr Bus Lines Acquisition

On August 5, 2022, the Company closed its acquisition of Barr Bus Lines. Barr Bus has more than 24 school buses on the road every school day and has a strong history of delivering safe and reliable school bus transportation. The purchase price was \$2.1 million in cash.

Seibarth Transportation Acquisition

On September 30, 2022, the Company closed its acquisition of Seibarth Transportation, headquartered in North Bay, Ontario Canada. The purchase consideration was \$0.8 million in cash.

Badder Bus Acquisition

On October 14, 2022, the Company closed its acquisition of Badder Bus, headquartered in Ontario Canada. The purchase consideration was \$7.5 million in cash.

Groupe Dufresne Acquisition

On February 10, 2023, the Company closed its acquisition of Groupe Dufresne, headquartered in Montreal, Quebec Canada. The purchase consideration was \$36.8 million in cash.

Safety Bus Acquisition

On February 28, 2023, the Company closed its acquisition of Safety Bus, headquartered in Pennsauken, New Jersey. The purchase consideration was \$13.7 million in cash.

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Autobus Laval Acquisition

On March 1, 2023, the Company closed its acquisition of Autobus Laval, headquartered in Quebec City, Quebec Canada. The purchase consideration was \$21.3 million in cash.

Trans Ed Acquisition

On March 17, 2023, the Company closed its acquisition of Trans Ed, headquartered in Paterson, New Jersey. The purchase consideration was \$6.0 million in cash.

Whitteker Bus Lines Acquisition

On April 3, 2023, the Company closed its acquisition of Whitteker Bus Lines, headquartered in Ontario, Canada. The purchase consideration was \$3.8 million in cash.

Prattsburgh Acquisition

On May 26, 2023, the Company closed its acquisition of Prattsburgh Bus Line assets, headquartered in Prattsburgh, NY. The purchase consideration was \$0.6 million in cash.

The following presents the fair value of assets acquired and liabilities assumed from the acquisitions other than TTC:

Assets	
Cash	\$ 1.5
Intangible assets	29.0
Property, plant and equipment	49.3
Trade and other receivables	4.6
Prepaid expenses	0.7
Total assets	85.1
Liabilities	
Trade and other payables	4.1
Tax liabilities	0.3
Deferred tax liabilities	6.1
Total liabilities	10.5
Net Assets	74.6
Goodwill arising on acquisition	28.0
Purchase consideration transferred	\$ 102.6

The valuations of assets acquired, and liabilities assumed arising from acquisitions have been completed and finalized. Thus, the fair value of assets acquired and liabilities assumed were subsequently adjusted within the applicable measurement period, with a corresponding adjustment to goodwill. Outflow of cash to acquire these smaller businesses, net of cash acquired, is \$101.1 million.

5. Service revenue

Revenue disaggregation

	Fiscal year ended	Fiscal year ended
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	June 30, 2024	June 24, 2023
Contract revenue	\$ 3,414.7	\$ 2,997.9
Charter/Private hire	281.2	231.1
Other	36.9	35.3
Total service revenue	\$ 3,732.8	\$ 3,264.3

Contract Balances

The Company does not have contract assets. Contract liabilities are recorded as deferred revenue as part of the Other current liabilities on the Consolidated Balance Sheets. Deferred revenue represents the amount of consideration received from customers before delivering the service. The Company had deferred revenue of \$8.0 million as of June 30, 2024 (June 2023: \$3.9 million).

6. Income tax

The following were the components of income tax benefit (provision):

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023
Current tax:		
U.S. federal	\$ 0.3	\$ (0.8)
U.S. state and local	(32.8)	(11.3)
Foreign	(0.3)	(0.1)
Total current income tax expense	(32.8)	(12.2)
Deferred tax:		
Federal	44.4	71.9
State	29.1	28.2
Foreign	2.1	(1.6)
Total deferred income tax benefit	75.6	98.5
Total income tax benefit	\$ 42.8	\$ 86.3

A reconciliation of the significant differences between the U.S. statutory tax rate and the effective tax rate on pre-tax income is as follow:

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023
Loss from continuing operations before income tax benefit	\$ (133.0)	\$ (252.2)
Federal income tax	27.9	52.2
State taxes	7.1	28.3
Permanent items	4.4	6.8
Foreign rate differential	0.4	(0.2)
Rate change	(1.6)	(8.0)
Return to provision	(0.1)	10.0
Credits	(0.7)	0.5
Valuation allowance	5.0	-
Uncertain tax positions	(0.3)	(1.0)
Other	0.7	(2.3)
Income tax benefit	\$ 42.8	\$ 86.3

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Deferred Taxes

Deferred tax assets and liabilities are comprised of the following:

	As of June 30, 2024	As of June 24, 2023 (As Restated)
Deferred tax assets:		
Loss and tax credit carryforwards	\$ 114.4	\$ 151.3
Accrued liabilities	22.7	16.2
Deferred compensation liabilities	8.3	9.3
Lease liabilities	117.5	97.6
Retirement benefit plans	-	0.9
CARES/CEWS	1.9	3.5
Inventories	0.9	0.6
Interest limitation	83.2	40.9
Self-insurance liabilities	88.3	65.0
Other assets	4.8	2.1
Valuation allowance	(5.9)	(10.9)
Total deferred tax assets	436.1	376.5
Deferred tax liabilities:		
Property, plant and equipment	(288.9)	(310.4)
Intangible asset	(338.7)	(356.1)
Prepaid expenses	(8.9)	(11.1)
Retirement benefit plans	(3.1)	-
Right of use assets	(107.5)	(92.9)
Derivative financial instruments	(21.1)	(29.8)
Other liabilities	(6.1)	(0.9)
Total deferred tax liabilities	(774.3)	(801.2)
Net deferred tax liabilities	\$ (338.2)	\$ (424.7)

Net Operating Losses, Tax Credit Carryforwards and Valuation Allowances

As of June 30, 2024, the Company's U.S. federal net operating loss totaled approximately \$388.0 million. The federal net operating losses can be carried forward for periods ranging from 20 years to indefinitely, with the oldest net operating loss expiring in 2026. The Company has deferred income tax assets of \$13.0 million for state income tax net operating losses, which can be carried forward for periods ranging from five years to indefinitely. The Company also has non-U.S. loss carryforwards of \$15.8 million as of June 30, 2024. These carryforwards can be carried forward for twenty years with the oldest net operating losses beginning 2042. The Company has tax credit carryforwards of \$45.5 million. The credits can be carried forward for 20 years with the earliest credits expiring in 2024.

The realizability of these future tax deductions and credits is evaluated by assessing the adequacy of future expected taxable income from all sources, including taxable income in prior carryback years, reversal of taxable temporary differences, forecasted operating earnings and available tax planning strategies. To the extent the Company does not consider it more likely than not that a deferred tax asset will be recovered, a valuation allowance is generally established. To the extent that a valuation allowance was established, and it is subsequently determined that it is more likely than not that the deferred tax assets will be recovered, the change in the valuation allowance is recognized in the Consolidated Statements of Operations.

The Company had valuation allowances of approximately \$5.9 million of June 30, 2024 (June 2023: \$10.9 million), on deferred tax assets associated with the net operating loss carryforwards and credit carryforwards. The Company

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recognized a net decrease of \$5.0 million in its valuation allowance for the fiscal year ended June 30, 2024 (June 2023: \$1.1 million decrease). Changes in valuation allowance have been recorded in deferred income tax expenses.

Uncertain Tax Positions

The Company has unrecognized tax benefits resulting from uncertain tax positions for which a benefit cannot be recognized in the financial statements. The Company is subject to periodic taxing authority examinations, and as a result, it is reasonably possible that certain of these unrecognized tax benefits could be recognized in the following twelve months and that amount could be material to the financial statements. The federal tax return remains subject to an examination for three years. State income tax returns remain subject to examination for three to four years. As of June 30, 2024:

- (i) The Company has approximately \$22.2 million of unrecognized federal tax benefits relating to unrecognized net operating loss carryforwards and positions taken on the federal tax return. Of the unrecognized tax benefits, \$21.3 million is reflected in deferred tax liabilities in the consolidated balance sheet and \$0.9 million is reflected as a non-current liability in the consolidated balance sheet.
- (ii) The Company has approximately \$0.3 million of unrecognized tax benefits related to positions taken in certain state jurisdictions, which is reflected as a non-current liability in the consolidated balance sheet.

A reconciliation of gross unrecognized tax benefits from continuing operations is as follows:

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023 (As Restated)
Gross unrecognized tax benefits, beginning of year	\$ 23.5	\$ 22.2
Increases related to prior year tax positions	0.3	1.3
Settlements during the period	(1.3)	-
Gross unrecognized tax benefits, end of year	\$ 22.5	\$ 23.5

The unrecognized tax benefits that if recognized would affect the annual effective tax rate is \$22.5 million as of June 30, 2024 (June 2023: \$23.5 million).

The Company did not recognize any expense for interest and penalties and does not have any accrued for the years ended June 30, 2024 and June 24, 2023, respectively, related to the unrecognized tax benefits.

7. Goodwill and Intangible assets

Goodwill consists of the following:

	Cost
Balance as of June 25, 2022	\$ 955.9
Additions (Note 4)	554.2
Foreign exchange movements	(2.2)
Balance as of June 24, 2023	\$ 1,507.9
Additions (Note 4)	11.0
Foreign exchange movements	(3.4)
Balance as of June 30, 2024	\$ 1,515.5

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Impairment Testing for goodwill

The Company performed a qualitative assessment of goodwill for its 2024 impairment test. The Company considered various market factors and key assumptions and determined that the reporting unit had an estimated fair value in excess of the carrying value and concluded that goodwill was not impaired.

The Company applied the quantitative approach during its 2023 impairment tests, and no impairment was determined to exist for goodwill for the fiscal year ended June 24, 2023. In performing the quantitative assessment, the Company estimated the fair value of the reporting unit using the income approach. The income approach, also known as the discounted cash flow (“DCF”) method, utilizes the present value of cash flows to estimate fair value. The future cash flows for the reporting unit were projected based on estimates, at that time, of future revenues, operating income and other factors (such as working capital and capital expenditures). The discount rates used in the DCF method were based on a weighted-average cost of capital (“WACC”) determined from relevant market comparisons, adjusted upward for specific reporting unit risks (primarily the uncertainty of achieving projected operating cash flows). A terminal value growth rate was applied to the final year of the projected period, which reflects the estimate of stable, perpetual growth. The Company then calculated a present value of the respective cash flows for the reporting unit to arrive at an estimate of fair value under the income approach.

Other intangible assets consist of the following:

	Contracts Acquired	Trademarks – Definite- lived	Trademarks – Indefinite- lived	Software	Total
As of June 30, 2024					
Gross carrying amount	\$ 1,302.1	\$ 21.6	\$ 286.0	\$ 57.4	\$ 1,667.1
Accumulated amortization	261.7	2.2	-	23.6	287.5
Net Carrying Value	\$ 1,040.4	\$ 19.4	\$ 286.0	\$ 33.8	\$ 1,379.6
Weighted-average amortization period (in years)	14.0	18.0	NA	4.6	
As of June 24, 2023					
Gross carrying amount	\$ 1,294.4	\$ 21.6	\$ 286.0	\$ 39.6	\$ 1,641.6
Accumulated amortization	160.6	1.1	-	18.0	179.7
Net Carrying Value	\$ 1,133.8	\$ 20.5	\$ 286.0	\$ 21.6	\$ 1,461.9

Amortization expense

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023
Amounts recognized in Consolidated Statements of Operations		
Amortization expense on intangible assets	\$ 106.7	\$ 97.4

Expected amortization of finite-lived intangible assets recorded as of June 30, 2024 over the next five years and thereafter is as follows: 2025—\$107.9 million; 2026—\$106.1 million; 2027—\$103.6 million; 2028—\$103.3

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million, 2029—\$103.0 million and 2030 and beyond – \$569.7 million. Amortization expense in future periods will be affected by business acquisitions and divestitures, software development, licensing agreements and other factors.

Impairment testing for other intangible assets

Trademarks acquired from the Acquisition by EQT in the table above are indefinite-lived intangible assets, and therefore are not amortized. Impairment tests for indefinite-lived intangible assets are performed annually at fiscal year-end. The Company performed a qualitative assessment on impairments on trademarks as of June 30, 2024, and a quantitative assessment on impairments on trademarks as of June 24, 2023. Based on the qualitative assessment, no impairment was determined to exist for the trademarks as of June 30, 2024.

For the quantitative assessment as of June 24, 2023, the Company used the relief-from-royalty method, which reflected a discount rate of 9.3% and royalty rate of 1.0%. Based on the quantitative impairment assessment performed, the fair value of the trademarks exceeded their carrying value, resulting in no impairment.

All other recorded intangible assets are finite-lived intangible assets and are amortized over their estimated useful lives. Impairment tests for these intangible assets are only performed when a triggering event occurs that may indicate that the carrying value of the intangible may not be recoverable. There was no impairment for the finite-lived intangibles in the periods presented.

8. Property, plant and equipment

Property, plant and equipment, net includes the following:

	As of June 30, 2024	As of June 24, 2023
Land and Buildings	\$ 265.0	\$ 278.4
Passenger Carrying Vehicle Fleet	3,172.3	3,139.6
Machinery and Equipment	374.1	362.0
Property, plant and equipment, at cost	3,811.4	3,780.0
Accumulated depreciation	2,085.9	1,998.7
Property, plant and equipment, net	\$ 1,725.5	\$ 1,781.3

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023
Amounts recognized in Consolidated Statements of Operations		
Depreciation expense on property, plant and equipment	\$ 299.0	\$ 289.2

9. Inventories

	As of June 30, 2024	As of June 24, 2023
Parts and tires	\$ 20.8	\$ 18.3

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Parts reserve	(3.2)	(2.5)
Parts and tires, net	17.6	15.8
Fuel and oil	3.9	4.0
\$	21.5	\$ 19.8

There are no material difference between the carrying values of inventories and their replacement costs. There was no material write down of inventories during the current or prior year.

10. Trade and other receivables

	As of June 30, 2024	As of June 24, 2023
Trade receivables	\$ 435.8	\$ 394.8
Allowance for credit losses	(2.1)	(1.7)
Trade receivables, net	433.7	393.1
Unbilled receivables	128.1	173.0
Other receivables	22.8	12.9
\$	584.6	\$ 579.0

The allowance for credit losses is a valuation account that is deducted from the trade receivables' cost basis to present the net amount expected to be collected on the receivables. Trade receivables are charged off against the allowance when the uncollectible of a receivable balance is confirmed, and the expected recoveries do not exceed the aggregate of amounts previously charged-off and expected to be charged-off.

Balance as of June 25, 2022	\$ 1.5
Utilized during the period	(0.6)
Increase in expected credit losses recognized in the Consolidated Statements of Operations	0.8
Balance as of June 24, 2023	\$ 1.7
Utilized during the period	(0.7)
Increase in expected credit losses recognized in the Consolidated Statements of Operations	1.1
Balance as of June 30, 2024	\$ 2.1

Financial instruments that potentially subject the Company to the concentration of credit risk consist principally of trade receivables. The large number of customers comprising the Company's customer base and their dispersion across many different geographies mitigates the concentration of credit risk on trade and unbilled receivables.

The carrying amount of trade and other receivables approximates to its fair value.

11. Other current assets and Other assets

	As of June 30, 2024	As of June 24, 2023
Current portion of derivative assets- interest rate caps (Note 16)	\$ 59.5	\$ 59.7
Current portion of insurance recoveries	11.8	12.1
Assets held for sale	10.9	1.0
Tax receivables	2.3	4.8
Total other current assets	\$ 84.5	\$ 77.6

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Derivative assets- interest rate caps (Note 16)	\$	22.1	\$	53.4
Retirement benefit asset		2.0		-
Cash surrender value of life insurance policies		34.4		43.7
Insurance recoveries		21.8		22.6
Total other assets	\$	80.3	\$	119.7

12. Accrued liabilities

		As of June 30, 2024		As of June 24, 2023
Accrued wages and benefits	\$	87.3	\$	74.3
Consideration due to Predecessor Parent Group		-		80.0
Accrued interest		12.4		61.7
CARES / CEWS reserves		5.7		13.0
Tax accruals ⁽¹⁾		18.3		19.0
Accruals for premiums and subscription		3.6		14.3
Medical reserve		5.9		10.5
Escheatment reserve		4.1		3.1
Other accruals		14.2		14.4
	\$	151.5	\$	290.3

⁽¹⁾ Tax accruals include personal and real property tax payables and sales and use tax payable.

13. Other current liabilities and Other liabilities

		As of June 30, 2024		As of June 24, 2023
Current derivative financial instrument- fuel swaps (Note 16)	\$	0.7	\$	9.2
Deferred revenue		8.0		3.9
Current portion of environmental remediation and legal reserve		4.9		5.3
Income taxes payable		22.8		2.1
Total other current liabilities	\$	36.4	\$	20.5
Derivative financial instrument- fuel swaps (Note 16)	\$	0.3	\$	5.1
Environmental remediation and legal reserve		15.5		9.9
Liabilities for uncertain tax positions		1.2		-
Deferred compensation liability		32.1		36.0
Contingent consideration- Acquisition of TTC		1.4		12.0
Total other liabilities	\$	50.5	\$	63.0

14. Leases

Please note that L&M Bus Corp. is a subsidiary of First Student Inc.

The Company's lease arrangements primarily relate to passenger carrying vehicles and real estate.

The following table summarizes the lease-related assets and liabilities recorded in the Consolidated Balance Sheets as of June 30, 2024 and June 24, 2023:

Lease position	As of June 30, 2024	As of June 24, 2023
Finance lease right-of-use assets	\$ 187.7	\$ 173.5
Finance lease liability – current	26.5	29.8
Finance lease liability – non-current	168.0	147.5
Total finance lease liabilities	\$ 194.5	\$ 177.3
Operating lease right-of-use assets	\$ 228.0	\$ 189.8
Operating lease liability – current	82.0	66.3
Operating lease liability – non-current	177.2	137.7
Total operating lease liabilities	\$ 259.2	\$ 204.0

Lease Term and Discount Rate	As of June 30, 2024	As of June 24, 2023
Weighted-average remaining lease term (years)		
Operating leases	5.2	4.5
Finance leases	4.9	5.5
Weighted-average discount rate		
Operating leases	5.7%	5.3%
Finance leases	4.5%	3.5%

The following table summarizes the components of our lease cost for the periods indicated:

	Location in the Consolidated Statements of Operations	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023
Operating lease cost	Cost of Service	\$ 110.1	\$ 80.8
Short-term lease cost	Cost of Service	3.0	12.7
Finance lease cost			
Amortization of right-of-use asset	Depreciation and amortization	26.7	29.3
Interest on lease obligation	Interest expense	7.8	9.3
Total lease cost		\$ 147.6	\$ 132.1

The following table summarizes the maturities of the Company's lease obligations as of June 30, 2024:

Fiscal year ending June,	Operating Leases	Finance Leases
2025	\$ 83.7	\$ 34.5
2026	72.4	32.7
2027	58.9	32.1
2028	34.9	30.8
2029	17.9	69.3
Thereafter	23.7	24.8
Total lease payments	291.5	224.2
Less imputed interest	(32.3)	(29.7)

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Total lease obligations	\$	259.2	\$	194.5
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The following table summarizes supplemental cash flow information related to the Company's leases for the periods presented:

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023
Cash paid for amounts included in the measurement of lease obligations:		
Operating cash outflows from operating leases	\$ (80.9)	\$ (60.7)
Operating cash outflows from finance lease	(7.8)	(9.3)
Financing cash outflows from finance lease	(24.7)	(28.3)
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	129.8	72.8
Finance lease	0.1	10.0

15. Loans and other borrowings

	As of June 30, 2024	As of June 24, 2023
Current interest-bearing loans and borrowings		
Working capital facility	\$ -	\$ 78.0
Term B loan, due July 2028	22.1	23.9
Term C loan, due July 2028	-	-
Secured vehicle borrowing	29.2	16.7
Total current interest-bearing loans and borrowings	\$ 51.3	\$ 118.6
Non-current interest-bearing loans and borrowings		
Term B loan, due July 2028	2,029.7	2,050.1
Term C loan, due July 2028	412.2	561.2
Revolving facility	-	31.6
Working capital facility	60.0	-
Senior Secured Notes, due July 2029	624.8	624.8
Secured vehicle borrowing	227.5	138.7
Less – deferred financing costs	(78.2)	(102.7)
Total non-current interest-bearing loans and borrowings	\$ 3,276.0	\$ 3,303.7
Total interest-bearing loans and borrowings	\$ 3,327.3	\$ 3,422.3

Borrowings with third parties have a fair value of \$3,348.7 million as of June 30, 2024 (June 2023: \$3,318.6 million). The Company classifies the fair value of its borrowings within Level 2 of the fair value hierarchy based on significant other observable inputs, such as quoted market prices for the same issues or on the current rates offered for debt of similar remaining maturities.

Maturities

Debt maturities on interest bearing loans and other borrowings as of June 30, 2024, including the impact of the refinancing of the Working Capital Facility as disclosed in Note 22- Subsequent events, were as follows:

Fiscal Year ending		
2025	\$	51.3
2026		53.4

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2027	55.5
2028	119.3
2029	2,409.8
Thereafter	716.2
Total Maturities	\$ 3,405.5

Term Loan

On July 21, 2021, Recess entered into an agreement (the “Credit Agreement”) for term loans in which the Company received loan proceeds in the amount of \$1,490.0 million (“Term Loan B”) and \$550.0 million (“Term Loan C”) (collectively, the “Initial Term Loan”). Borrowings under the Initial Term Loans bear interest at a floating rate which can be, at the Company’s option, either (i) the adjusted term Secured Overnight Financing Rate (“SOFR”) (which cannot be lower than 0.50%), plus the (a) for an interest period of one month, 0.1%, (b) for an Interest Period of three months, 0.3%, and (c) for an Interest Period of six months, 0.4%, plus 3.00% or (ii) an alternate base rate (which cannot be lower than 1.50%), plus 2.00%. The Initial Term Loans mature on July 21, 2028. As of June 30, 2024, the Company’s all-in rate for the Initial Term loan was 8.6% (June 2023: 8.1%).

On June 30, 2022, the Company received additional term loan proceeds in the amount of \$720.0 million (“Additional Term Loan B”) and \$50.0 million (“Additional Term Loan C”) (collectively, referred to as “2022 Incremental Term Loans”) to fund a portion of the acquisition of TTC (see Note 4- Acquisitions for further information).

On May 31, 2024, the Company refinanced the Additional Term Loan B in full in the amount of approximately \$696.9 million (“Replacement Term Loan B” together with the Initial Term Loan and Additional Term Loan C, the “Term Loans”). The Replacement Term Loan B will mature on July 21, 2028. The Replacement Term Loan B bears interest at a floating rate, which can be, at the option of the Company, either (i) SOFR (which cannot be lower than 0.50%), plus 0.10% plus 3.0% or (ii) an alternate base rate, which cannot be lower than 1.50%, plus 2.0%. As of June 30, 2024, the Company’s all-in rate for the Replacement Term Loan B was 8.4%. Additionally, the rates described above with respect to the Replacement Term Loan B may be subject to a one-time increase or decrease of 0.075% in June 2025 based on the satisfaction of certain metrics specified in the Credit Agreement with respect to electrification of the Company’s fleet.

The Term Loan B and Replacement Term Loan B both require principal and interest payments quarterly. The Term Loan C and Additional Term Loan C both require interest payments quarterly with the principal due at the end of the loan term.

The Term Loans contain certain customary covenants and events of default. As of June 30, 2024, the Company is in compliance with the covenant requirements.

The Term Loan is secured by substantially all of the assets of the Company and the subsidiary guarantors subject to certain exceptions. The Term Loan C and Additional Term Loan C are also secured by the associated restricted cash which is the proceeds of such loans.

Senior Secured Notes

On July 21, 2021, the Company issued 4.000% Senior Secured Notes due on July 31, 2029 (the “Senior Secured Notes”) in the aggregate principal amount of \$800.0 million. Interest on the Senior Secured Notes is due semi-annually in arrears on January 31 and July 31 of each year. There are no mandatory principal payments required until maturity. The Senior Secured Notes are secured against substantially all the assets of the Company and the subsidiary guarantors of the Senior Secured Notes, subject to certain exceptions.

Partial debt extinguishment

Please note that L&M Bus Corp. is a subsidiary of First Student Inc.

The following table presents the impact of the partial extinguishment and early prepayment of the Company's Term Loans and Senior Secured Notes during the fiscal years ended June 30, 2024, and June 24, 2023, respectively.

Fiscal year ended	Cash consideration paid	Direct transaction costs	Carrying amount of loans	Gain (Loss) on Debt Extinguishment
June 30, 2024				
Term Loans	(151.7)	(3.0)	151.7	(3.0)
Total	\$ (151.7)	\$ (3.0)	\$ 151.7	\$ (3.0)
June 24, 2023				
Senior Secured Notes	(150.4)	(5.0)	175.2	19.8
Term Loans	(148.2)	(4.6)	154.5	1.7
Total	\$ (298.6)	\$ (9.6)	\$ 329.7	\$ 21.5

Revolving Facility

A revolving facility (the "Revolving Facility") with a total commitment of \$505.0 million maturing on July 21, 2026, is available to the Company under the Credit Agreement. The Revolving Facility bears interest at a floating rate of, either (i) SOFR which cannot be lower than 0.0%, plus 3.0% or (ii) an alternate base rate, which cannot be lower than 1.0%, plus 2.0%. The applicable margin for the Company's Revolving Facility is subject to adjustment through two 25 basis step-downs based on the Company's first lien net leverage ratio. For any outstanding balance, interest is paid at least quarterly. As of June 30, 2024, there were no outstanding balances under the Revolving Facility. The Revolving Facility is secured by substantially all the assets of the Company and the subsidiary guarantors of the Senior Secured Notes, subject to certain exceptions. See Note 22- Subsequent events for information on the extension of the maturity of the Revolving Facility.

Working Capital Facility

On March 6, 2023, the Company amended and restated its existing Receivables Financing Agreement, dated January 11, 2022 (as amended), by entering in an Amended and Restated Receivables Financing Agreement (the "Receivables Financing Agreement") with First Student Receive Co, LLC, a wholly owned special purpose vehicle of Recess, as the borrower, Recess as servicer, various lenders, and with MUFG Bank, Ltd., as administrative agent, pursuant to which the Lenders agreed to extend revolving loans (the "Working Capital Facility") in an aggregate principal amount equal to the lesser of \$250.0 million in the period from June to September of each year or \$350.0 million outside of such period and the amount equal to the Borrowing Base, as defined in the Receivables Financing Agreement. On July 17, 2023 and December 18, 2023, the Company amended its Receivables Financing Agreement to modify certain reporting triggers and concentration limits, respectively. The Working Capital Facility is secured by, among other things, certain of the Company's receivables, and will mature on September 30, 2025 (or such later time as the Working Capital Facility may be extended pursuant to the Receivables Financing Agreement). For any outstanding balance, interest is paid monthly. On June 30, 2024, the Company's weighted average all-in rate is 6.8% for the Working Capital Facility. This rate is the daily cost of funds rate determined by various lenders in the Receivable Financing Agreement. See Note 22- Subsequent events for information on the extension of the maturity of the Working Capital Facility.

Secured Vehicle Borrowing

The Company has entered into leasing agreements with several financing companies. These are arrangements where the Company has bought PCVs, sold them to financing companies and leased them back ("sale-leaseback transactions"). The Company has not transferred control of the underlying PCVs to the financing companies due to the presence of a purchase option that the Company is reasonably certain to exercise at the end of the lease term. As a result, these are accounted for as failed sale-leaseback transactions. The Company did not recognize an asset sale or

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derecognize the underlying assets. For such transactions, the Company continues to recognize the underlying assets as a component of Property, plant and equipment, net on the Consolidated Balance Sheets and continues to depreciate the assets over their useful lives. Additionally, the Company accounted for any amounts received as a financing liability and recognized interest expense on the financing liability utilizing the effective interest method.

These agreements serve as additional borrowing capacity for the purchase of new vehicles from our suppliers. Each leasing agreement varies in terms of lease payment amount and interest rate. However, leases are normally set up as seven-year Terminal Rental Adjustment Clause ("TRAC") leases. Rental payments on these leases are due on either a monthly or quarterly basis. Rental payments made by the Company decrease the outstanding finance liability. The Secured Vehicle Borrowing is secured by the PCVs.

16. Derivative financial instruments and hedging activity

The Company is exposed to various financial risks including credit risk, liquidity risk and certain market-based risks, principally being the effects of changes in foreign exchange rates, interest rates, and fuel prices. The Company manages these risks within the context of a set of formal delegation of authorities established by the Board of Directors. Certain risk management responsibilities are formally delegated by the Board, principally to the Chief Financial Officer and to the Treasury function. The Company entered into derivative contracts with high-quality financial institutions and limits the amount of credit exposure to any one institution.

Interest Rate Cap

The Company utilizes interest rate cap agreements to manage a portion of its risks related to fluctuations in interest rates. The Company's current interest rate cap agreements have been designated as accounting hedges; accordingly, the Company recognized the changes in the fair value of these instruments as a component of other comprehensive (loss) income in its Consolidated Statements of Comprehensive Income (Loss). All interest rate caps are used to cap any movement in one month USD-SOFR exceeding an agreed upon rate; consequently, any changes in interest rates above this percentage would have an equal and opposite income statement effect for both the interest rate caps and the debt.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

During the fiscal year ended June 24, 2023, the Company transitioned its interest rate cap agreements from an index based on USD-LIBOR to USD-SOFR. Each derivative contract was negotiated separately with counterparties. Small adjustments to the cap rates were necessary as the nature of LIBOR is an unsecured rate and SOFR is secured. The adjustments were completed concurrently with the LIBOR to SOFR transition for the Revolver Facility, Initial Term Loan and 2022 Incremental Term Loans. As this modification relates solely to reference rate reform, the Company elected the option to not de-designate the hedge relationship due to the change in critical terms in the hedging relationship in accordance with the expedient available under U.S. GAAP.

The Company has interest rate caps outstanding as of June 30, 2024 with a total notional value of \$1,820.0 million. Interest rate caps of \$1,200.0 million mature on July 31, 2025 and a further \$620.0 million of the interest rate caps mature on July 31, 2026. There are an additional \$1,200.0 million interest rate caps that will not become effective until July 31, 2025 that will mature one year later.

No hedge ineffectiveness has been recognized during the fiscal years ended June 30, 2024 and June 24, 2023, respectively. Potential future hedge ineffectiveness is currently expected to arise from refinancing the underlying debt or changes in the Company's credit spread.

Fuel Swaps

Please note that L&M Bus Corp. is a subsidiary of First Student Inc.

The Company purchased gasoline and diesel fuel on a floating price basis for its U.S. and Canadian bus operations and, therefore, is exposed to changes in fuel prices, of which the most significant element is crude oil price risk.

The Company's diesel exposure is economically hedged as of June 30, 2024 and June 24, 2023. Approximately one-third of the Company's diesel fuel is bought directly by the Company's customers and creates no exposure to diesel fuel prices. Approximately one-third of the diesel fuel is subject to contractual provisions limiting the Company's exposure to diesel fuel prices as customers will compensate for negative price movements. Approximately one-third of the Company's diesel fuel is bought at-market and is fully exposed to price fluctuations.

The Company recognized the following derivative assets and liabilities on the Consolidated Balance Sheets:

	Location on the Consolidated Balance Sheets	As of June 30, 2024	As of June 24, 2023
Derivatives not designated as hedging instruments			
Fuel swaps- current	Other current liabilities	\$ 0.7	\$ 9.2
Fuel swaps- non-current	Other liabilities	0.3	5.1
Total derivative liability – not designated as hedges		\$ 1.0	\$ 14.3
Derivatives designated and effective as hedging instruments			
Interest rate caps- current	Other current assets	\$ 59.5	\$ 59.7
Interest rate caps- non-current	Other assets	22.1	53.4
Total derivative assets – designated as hedges		\$ 81.6	\$ 113.1

The Company entered into derivative transactions under International Swaps and Derivatives Association Master Agreements that allow for the related amounts to be set-off in certain circumstances. The amounts set out as fuel and interest rate derivatives in the table above are the derivative financial assets and liabilities that may be subject to the above arrangements and are presented on a gross basis.

The following gains and losses on derivatives have been charged through the Consolidated Statements of Operations:

	Location in the Consolidated Statements of Operations	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023
Gain (loss) on fuel swaps	Cost of services	\$ 13.5	\$ (17.3)
Gain on interest rate caps	Interest expense	72.0	39.1
Total gain on derivatives		\$ 85.5	\$ 21.8

The following gains on derivatives have been charged through the Consolidated Statements of Comprehensive Income (Loss):

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023
Gain on interest rate caps recorded in accumulated other comprehensive income	\$ 42.4	\$ 68.7
Gain reclassified from accumulated other comprehensive income to interest expense	(72.0)	(39.1)

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Total change in accumulated other comprehensive income related to interest rate caps	\$	(29.6)	\$	29.6
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Based on the current valuation, the Company expects to reclassify a net gain of \$54.7 million related to interest rate cap hedge contracts from accumulated other comprehensive income into earnings during the next 12 months.

17. Fair value

Fair value of the assets and liabilities measured at fair value on a recurring basis in the Consolidated Balance Sheets:

	Level 1	Level 2	Level 3	Fair Value Total	Carrying Value Total
As of June 30, 2024					
Assets					
Derivative financial instruments (net)	\$ -	\$ 80.6	\$ -	\$ 80.6	\$ 80.6
Liabilities					
Contingent consideration -Acquisition of TTC	\$ -	\$ -	\$ 1.4	\$ 1.4	\$ 1.4
As of June 24, 2023					
Assets					
Derivative financial instruments (net)	\$ -	\$ 98.8	\$ -	\$ 98.8	\$ 98.8
Liabilities					
Contingent consideration -Acquisition of TTC	\$ -	\$ -	\$ 12.0	\$ 12.0	\$ 12.0

Under U.S. GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the exit price) in an orderly transaction between market participants at the measurement date. In determining fair value, the Company uses various valuation approaches, including quoted market prices and discounted cash flows. U.S. GAAP also establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are obtained from independent sources and can be validated by a third party, whereas unobservable inputs reflect assumptions regarding what a third party would use in pricing an asset or liability. The fair value hierarchy is categorized into three levels based on the reliability of inputs as follows:

Level 1– Quoted prices in active markets for identical assets and liabilities.

Level 2– Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 – Inputs for the asset or liability that are not based on observable market data.

There were no transfers between Level 1 and Level 2 during the current or prior period.

Level 2 instruments

Fair Values

Please note that L&M Bus Corp. is a subsidiary of First Student Inc.

	As of June 30, 2024	As of June 24, 2023	Valuation Technique(s) and Key Inputs
Derivative contracts			
Fuel derivatives	\$ (1.0)	\$ (14.3)	Discounted cash flow: future cash flows are estimated based on forward fuel prices and contract rates and then discounted at a rate that reflects the credit risk of the various counterparties.
Interest rate derivatives	\$ 81.6	\$ 113.1	Discounted cash flow: future cash flows are estimated based on forward interest rates and contract interest rates and then discounted at a rate that reflects the credit risk of the various counterparties.

Level 3 instruments

The change in the fair value of the contingent consideration, measured using Level 3 inputs, for the fiscal years ended June 30, 2024, and June 24, 2023 respectively, is summarized as follows:

	Contingent Consideration – Acquisition by EQT	Contingent Consideration – Acquisition of TTC
Contingent consideration on June 25, 2022	\$ 66.0	\$ -
Contingent consideration arising from the acquisition of TTC	-	33.0
Change in fair value of contingent consideration ⁽¹⁾	14.0	(21.0)
Resolved contingency upon FT Sale ⁽²⁾	(80.0)	-
Contingent consideration on June 24, 2023	\$ -	\$ 12.0
Change in fair value of contingent consideration ⁽¹⁾	-	(10.6)
Contingent consideration on June 30, 2024	\$ -	\$ 1.4

⁽¹⁾ The change in fair value of contingent consideration associated with the Acquisition by EQT is recognized in Net loss from discontinued operations in the Consolidated Statements of Operations. The change in fair value of the contingent consideration associated with the acquisition of TTC is recognized in Selling, general and administrative expense in the Consolidated Statements of Operations.

⁽²⁾ As of June 24, 2023, the contingent consideration arising from the Acquisition by EQT was resolved with the FT Sale. As such, its payment or value is no longer contingent upon a future event. The agreed upon contingent consideration was paid as of June 30, 2024 and, as a result, the related liability is reflected as a short-term accrued liability on the Consolidated Balance Sheet as of June 24, 2023.

	Fair Values		Significant unobservable inputs	Range (weighted average)
	As of June 30, 2024	As of June 24, 2023		
Contingent consideration – Acquisition of TTC	\$ 1.4	\$ 12.0	Calibration Rate	10.5%
			Term to payment	2.92 years
			Discount factor	0.9768
			Expected volatility	17.5%

18. Commitments and contingent liabilities

Please note that L&M Bus Corp.is a subsidiary of First Student Inc.

In the normal course of business, the Company enters into contractual commitments to purchase buses and other assets. The Company had contractual commitments of \$28.8 million as of June 30, 2024 (June 2023: \$34.4 million) for such purchases. The Company also received government grants for the purchase of electric vehicles and infrastructure. The Company has \$42.6 million as of June 30, 2024 (June 2023: \$0.0 million) in purchase commitments. These purchase commitments are expected to be completed within one year of the respective balance sheet date.

To support operating units in their normal course of business, certain banks and insurance companies have issued performance bonds for \$512.4 million (June 2023: \$372.5 million) and letters of credit for \$128.2 million (June 2023: \$144.0 million). The letters of credit relate substantially to insurance arrangements in North America.

The Company is a party to certain unsecured guarantees granted to banks for overdraft and cash management facilities provided to itself and subsidiary undertakings.

The Company is a party to legal proceedings and claims which arise in the normal course of the business, including but not limited to employment and safety claims. The Company takes legal advice as to the likelihood of success of claims and counterclaims. No accrual is made where, due to inherent uncertainties, liabilities which may arise from any of the legal proceedings are not probable or estimable.

19. Member’s capital

Member’s capital

This represents the investment by owners in Recess. Ownership of Recess consists of one member, Recess Intermediate LP”), a member of the Recess Parent Group and direct owner of Recess.

In the fiscal year ended June 24, 2023, a non-cash member’s contribution of \$351.0 million was made to Recess in relation to the acquisition of TTC. See Note 4- Acquisitions for further information.

Accumulated deficit

This represents the accumulated net income and loss that the Company has earned to-date.

In the fiscal year ended June 30, 2024, the Company made distribution to its member of \$4.8 million to fund the cash settlement of equity held at Topco by employees and board members of First Transit. The distribution was made in connection with FT Sale. Additionally, the Company paid \$0.4 million to fund the PSP payments during the year.

In the fiscal year ended June 24, 2023, the Company made a distribution to its member of \$21.6 million to fund the cash settlement of equity held at Topco by employees and board members of First Transit. The distribution was made in connection with the FT Sale.

Accumulated other comprehensive income

This account is used to recognize the value of the cumulative actuarial gains and losses in relation to pension plans, foreign currency translation gains and losses, and movements on designated hedging items.

The following table shows the changes in accumulated other comprehensive income by component.

	Defined	Cash flow	Foreign	Total
--	---------	-----------	---------	-------

Please note that L&M Bus Corp. is a subsidiary of First Student Inc.

	benefit plan	hedge interest rate cap	currency translation reserve	
Balance as of June 25, 2022	\$ 7.1	\$ 57.8	\$ (7.8)	\$ 57.1
Unrecognized net actuarial gain	2.5	-	-	2.5
Gain on interest rate caps recorded in accumulated other comprehensive income	-	68.7	-	68.7
Gain reclassified from accumulated other comprehensive income to interest expense	-	(39.1)	-	(39.1)
Foreign currency translation adjustments	-	-	(7.2)	(7.2)
Reclassification of foreign currency translation on discontinued operations	-	-	8.2	8.2
Income tax expense	(0.6)	(8.2)	-	(8.8)
Balance as of June 24, 2023	\$ 9.0	\$ 79.2	\$ (6.8)	\$ 81.4
Unrecognized net actuarial gain	0.6	-	-	0.6
Gain on interest rate caps recorded in accumulated other comprehensive income	-	42.4	-	42.4
Gain reclassified from accumulated other comprehensive income to interest expense	-	(72.0)	-	(72.0)
Foreign currency translation adjustments	-	-	(15.8)	(15.8)
Income tax expense	(0.4)	7.4	-	7.0
Balance as of June 30, 2024	\$ 9.2	\$ 57.0	\$ (22.6)	\$ 43.6

20. Share-based payments

The Company and its parent owner sponsor two share-based payment plans as discussed in Note 2 – Share-based Payments' section. The Company's share-based payment plans are classified as either equity or liability awards in accordance with U.S. GAAP. The MPP is classified as an equity award, the PSP is classified as a liability award.

The Company recognized the following amounts in employee equity-classified and liability classified share-based payment costs in Selling, general and administrative expenses in the Consolidated Statements of Operations:

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023
Equity-classified awards (MPP) – expensed	\$ 2.4	\$ 3.2
Liability-classified awards (PSP) – expensed	1.1	0.7
Total share-based payment costs	\$ 3.5	\$ 3.9

Equity-classified Awards – MPP

As of June 30, 2024, there was \$20.0 million of total unrecognized compensation cost related to unvested units for the equity-classified awards that are expected to be recognized over a weighted-average period of 2.9 years.

The weighted average grant-date fair value of MPP units granted is \$32.2 per unit for the fiscal year ended June 30, 2024 (June 2023: \$31.0 per unit). The total grant date fair value of units vested for the fiscal years ended June 30, 2024 is \$2.3 million (June 2023: \$2.3 million).

The following table presents the fair value assumptions used to value the MPP awards under the Geometric Brownian Motion model.

Please note that L&M Bus Corp. is a subsidiary of First Student Inc.

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023
Expected time to exit (years)	2.8	3.8
Expected volatility	35% - 59%	59% - 60%
Risk-free interest rate	0.73% - 4.58%	0.73% - 4.31%

A summary of MPP awards outstanding as of June 30, 2024, and changes during the 12 months then ended is as follows:

	Number of Units	Weighted Average Grant Date Fair Value
Unvested on June 24, 2023	765,554	\$ 31.2
Granted	16,000	32.2
Vested	(69,556)	33.7
Forfeited or expired	(18,358)	33.9
Unvested on June 30, 2024	693,640	\$ 30.9

21. Retirement benefit plans

Defined Contribution Plans

Employees of the Company are eligible to participate in a defined contribution plan and receive an employer match which varies by employment status. Additionally, the Company is subject to contribute per the terms and conditions of the union collective bargaining agreement into contribution plans with vesting benefits.

The total expense recognized in the Consolidated Statements of Operations of \$13.2 million for the fiscal year ended June 30, 2024 (June 2023: \$9.6 million), represents contributions paid or payable to these plans at rates specified in the rules of the plans.

Defined Benefit Plans

The Company sponsors two defined benefit plans, covering former and current employees.

The Company operates one funded defined benefit plan in the U.S. although benefit accruals are frozen. The plan is valued annually when the funding position and minimum and maximum contributions are established. Deficits are paid off as required by legislation.

The Company operate a Retirement Compensation Arrangement in Canada ("Canadian Plan"). Under the plan terms, security can be provided with letter of credit, cash contribution, or a combination of cash and letter of credit. Unless the Plan is terminated, benefits payable to members must be paid by the employer from its general assets. This plan has only one active member.

The following disclosures exclude the Canadian Plan because the net liability balance of \$2.6 million as of June 30, 2024 (June 2023: \$2.6 million) is not material for disclosure.

The plans are valued annually when the funding positions are identified. The Company bears the full cost of the plans. At their last accounting valuations, the defined benefit plan had a funding level of 105% (June 2023: 82.1%).

Please note that L&M Bus Corp.is a subsidiary of First Student Inc.

Assumptions

The valuation assumptions when the plan is actuarially valued was as follows:

	As of June 30, 2024	As of June 24, 2023
Weighted Average Assumptions		
Discount rate	5.4%	5.2%
Weighted Average Assumptions Used to Determine Net Benefit Cost		
Discount rate – Service cost	5.2%	4.7%
Effective interest rate on benefit obligation	5.2%	4.7%
Expected long-term rate of return on assets	4.6%	3.6%

Components of Net Periodic Benefit Cost (Income)

The pre-tax net periodic benefit cost (income) for the U.S. defined benefit pension plan was as follows:

	Fiscal year ended June 30, 2024	Fiscal year ended June 24, 2023
Interest cost	\$ 4.8	\$ 4.6
Expected return on assets	(3.5)	(2.9)
Amortization of net gain	(0.1)	-
Net periodic benefit cost	\$ 1.2	\$ 1.7

Unrecognized Net Periodic Benefit Expense

The pre-tax amounts in accumulated other comprehensive income that have not yet been amortized as components of net periodic benefit expense are as follows:

	As of June 30, 2024	As of June 24, 2023
Unrecognized net actuarial loss	\$ (12.1)	\$ (11.3)
Accumulated other comprehensive loss	\$ (12.1)	\$ (11.3)

Funded Status

The fiscal year-end status of the U.S. defined benefit pension plan was as follows:

	As of June 30, 2024	As of June 24, 2023
Change in Benefit Obligation		
Benefit obligation – beginning	\$ 96.0	\$ 103.5
Interest cost	4.8	4.6
Benefits paid	(7.8)	(8.0)
Actuarial gain	(1.1)	(4.1)
Benefit obligation – ending	91.9	96.0
Change in plan assets		
Fair value of plan assets – beginning	78.8	85.3
Actual return on plan assets	3.3	1.5
Employer Contribution	22.2	-

Please note that L&M Bus Corp.is a subsidiary of First Student Inc.

Benefits paid		(7.8)		(8.0)
Fair value of plan assets – ending		96.5		78.8
Funded status				
Over funded plans, long term asset	\$	4.6	\$	-
Underfunded plans- non-current liabilities	\$	-	\$	(17.2)

The actuarial gain for the Company's pension benefit obligations in fiscal years 2024 and 2023 was primarily related to changes in discount rates. The accumulated benefit obligation equals the projected benefit obligation disclosed in the table above for all periods presented.

The Company does not expect to make any contributions in the next fiscal year.

Expected Future Benefit Payments

The expected future benefit payments as of June 30, 2024 were as follows:

Fiscal year ending June 30,	
2025	\$ 8.7
2026	8.9
2027	8.7
2028	8.5
2029	8.2
2030 and thereafter	48.9

Plan Assets

Plan assets are intended to provide a level of return generating sufficient capital to meet the defined benefit obligations in order to avoid future catastrophically burdensome capital needs. The Company's investment policies are designed to enhance the probability of achieving the goals and objectives of the plan in a manner that is consistent with the laws, regulations, and policies that govern the prudent management of plan asset in a fiduciary setting, including, but not limited to Employee Retirement Income Security Act ("ERISA"). Based on the investment policies, the plan assets are managed in accordance with the target asset allocation that can reasonably be expected to produce a nominal rate of return consistent with growth needs of the portfolio and with acceptable price volatility.

The following is the actual allocation percentage for the Company's pension plan assets:

	As of June 30, 2024	As of June 24, 2023
Equity securities	23.1%	44.5%
Fixed income securities	69.9%	49.7%
Cash equivalents	1.3%	3.4%
Alternative Strategic Opportunities Alternative	5.6%	2.4%

The current funded status is 105%. Our target asset allocation is 90% hedging portfolio and 10% growth portfolio.

Expected Long-Term Rate of Return on Assets

The long-term return assumption at fiscal year-ended 2024, which will be used to determine the 2024 expected return on assets, is 4.6% for the U.S. plans. A generally consistent approach is used worldwide to develop this

Please note that L&M Bus Corp. is a subsidiary of First Student Inc.

assumption. This approach considers primarily inputs from a range of advisors for long-term capital market returns, inflation, bond yields, and other variables, adjusted for specific aspects of our investment strategy by plan. Historical returns are also considered where appropriate. The assumption is based on consideration of all inputs, with a focus on long-term trends to avoid short-term market influences.

Fair Value Measurements

The fair value of the Company's defined benefit pension plan assets by asset category was as follows:

Asset Category as of June 30, 2024	Level 1	Level 2	Level 3	Total
Equity securities	\$ -	\$ -	\$ -	\$ -
Fixed income securities	26.6	40.9	-	67.5
Cash equivalents	1.3	-	-	1.3
Alternative	-	4.7	0.8	5.5
Total assets in the fair value hierarchy	\$ 27.9	\$ 45.6	\$ 0.8	74.3
Collective trust funds ¹				22.2
Investments at fair value				\$ 96.5

Asset Category as of June 24, 2023	Level 1	Level 2	Level 3	Total
Equity securities	\$ -	\$ -	\$ 1.5	\$ 1.5
Fixed income securities	5.4	33.7	-	39.1
Cash equivalents	2.7	-	-	2.7
Alternative	-	-	1.9	1.9
Total assets in the fair value hierarchy	\$ 8.1	\$ 33.7	\$ 3.4	45.2
Collective trust funds ¹				33.6
Investments at fair value				\$ 78.8

¹ In accordance with the Fair Value Measurement under U.S. GAAP, investments that were measured at net asset value using the practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the above table are intended to permit reconciliation of the fair value hierarchy to the fair value of plan assets for the defined benefit pension plan. There were no unfunded commitments, significant redemption limitations or restrictions on the ability to sell these funds.

22. Subsequent events

The Company evaluated subsequent events through the date the financial statements were issued on October 3, 2024. The Company has identified the following:

On July 3, 2024, the Company entered into an agreement with our lenders to extend the maturity of our Revolving Facility to July 2028, subject to a springing maturity date specified in further detail in such amendment. The Company did not incur any debt issuance costs associated with this agreement.

On September 12, 2024, the Company refinanced our Working Capital Facility to extend the maturity to September 2027 and increasing the borrowing capacity during certain months to \$450.0 million with a 5 basis points increase in the spread to the borrowing cost rate issued by each respective financial institution in the Working Capital Facility, bringing the total spread up to 1.35%.



Department of State

Division of Corporations

Entity Information

[Return to Results](#)[Return to Search](#)

Entity Details

ENTITY NAME: L & M BUS CORP.

DOS ID: 2964247

FOREIGN LEGAL NAME:

FICTITIOUS NAME:

ENTITY TYPE: DOMESTIC BUSINESS CORPORATION

DURATION DATE/LATEST DATE OF DISSOLUTION:

SECTION OF LAW: 402 BCL - BUSINESS CORPORATION LAW

ENTITY STATUS: ACTIVE

DATE OF INITIAL DOS FILING: 10/10/2003

REASON FOR STATUS:

EFFECTIVE DATE INITIAL FILING: 10/10/2003

INACTIVE DATE:

FOREIGN FORMATION DATE:

STATEMENT STATUS: CURRENT

COUNTY: NEW YORK

NEXT STATEMENT DUE DATE: 10/31/2027

JURISDICTION: NEW YORK, UNITED STATES

NFP CATEGORY:

< ENTITY DISPLAY NAME HISTORY FILING HISTORY MERGER HISTORY ASSUMED NAME HISTORY

Service of Process on the Secretary of State as Agent

The Post Office address to which the Secretary of State shall mail a copy of any process against the corporation served upon the Secretary of State by personal delivery:

Name: C/O C T CORPORATION SYSTEM

Address: 28 LIBERTY STREET, NEW YORK, NY, UNITED STATES, 10005

Electronic Service of Process on the Secretary of State as agent: Not Permitted

Chief Executive Officer's Name and Address

Name: JOHN KENNING

Address: 191 ROSA PARKS STREET, SUITE 800, CINCINNATI, OH, UNITED STATES, 45202

Principal Executive Office Address

Address: 191 ROSA PARKS STREET, SUITE 800, CINCINNATI, OH, UNITED STATES, 45202

Registered Agent Name and Address

Name: C T CORPORATION SYSTEM

Address: 28 LIBERTY STREET, NEW YORK, NY, 10005

Entity Primary Location Name and Address

Name:

Address:

Farmcorpflag

Is The Entity A Farm Corporation: NO

Stock Information

Share Value	Number Of Shares	Value Per Share
NO PAR VALUE	200	\$0.00000

COUNTY OF NASSAU

CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM

1. Name of the Entity: L&M Bus Corp

Address: 3167 Atlantic Avenue

City: Brooklyn State/Province/Territory: NY Zip/Postal Code: 11207

Country: US

2. Entity's Vendor Identification Number: [REDACTED]

3. Type of Business: Closely Held Corp (specify)

4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

First Name Joseph
Last Name Sgro
MI Suffix
Address [REDACTED]
City [REDACTED] State/Province/Territory: [REDACTED] Zip/Postal Code: [REDACTED]
Country [REDACTED]
Position Senior Vice President

First Name John
Last Name Kenning
MI Suffix
Address [REDACTED]
City [REDACTED] State/Province/Territory: [REDACTED] Zip/Postal Code: [REDACTED]
Country [REDACTED]
Position Chief Executive Officer

First Name Joseph
Last Name Schwaderer
MI Suffix

Address	[REDACTED]		
City	[REDACTED]	State/Province/ Territory:	[REDACTED]
Country	[REDACTED]	Zip/Postal Code:	[REDACTED]
Position	Chief Financial Officer		

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section.

If none, explain.

None. 100% of shares are owned by Total Transportation Corp. Total Transportation Corp is 100% owned by First Student, Inc. It is not owned by any individuals.

6. List all affiliated and related companies and their relationship to the firm entered on line 1. above (if none, enter "None"). Attach a separate disclosure form for each affiliated or subsidiary company that may take part in the performance of this contract. Such disclosure shall be updated to include affiliated or subsidiary companies not previously disclosed that participate in the performance of the contract.

L&M Bus Corp is a subsidiary of Total Transportation Corp and will be the sole provider of this contract. None of Total Transportation Corps subsidiaries listed in our Proposal will take performance of this contract except for L&M Bus Corp.

7. List all lobbyists whose services were utilized at any stage in this matter (i.e., pre-bid, bid, post-bid, etc.). If none, enter "None." The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

Are there lobbyists involved in this matter?

YES [] NO [X]

(a) Name, title, business address and telephone number of lobbyist(s):

None

(b) Describe lobbying activity of each lobbyist. See below for a complete description of lobbying activities.

None

(c) List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

None

8. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

Electronically signed and certified at the date and time indicated by:
Regina M Morana [REGINA.MORANA@FIRSTGROUP.COM]

Dated: 02/06/2026 01:47:12 pm

Title: Accounts Receivable Manager

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including by not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.



CERTIFICATE OF INSURANCE COVERAGE

NYS DISABILITY AND PAID FAMILY LEAVE BENEFITS LAW

PART 1. To be completed by NYS disability and Paid Family Leave benefits carrier or licensed insurance agent of that carrier

1a. Legal Name & Address of Insured (use street address only)

L&M Bus Corp. a subsidiary of First Student Inc.
191 Rosa Parks
8th Floor
Cincinnati, Ohio 45202

Work Location of Insured (Only required if coverage is specifically limited to certain locations in New York State, i.e., Wrap-Up Policy)

1b. Business Telephone Number of Insured

1c. Federal Employer Identification Number of Insured
or Social Security Number

2. Name and Address of Entity Requesting Proof of Coverage
(Entity Being Listed as the Certificate Holder)

Nassau County Department of Health
Office of Children with Special Needs
60 Charles Lindbergh Blvd, Suite 100
Uniondale, New York 11553

3a. Name of Insurance Carrier
Lincoln Life & Annuity Company of New York

3b. Policy Number of Entity Listed in Box 1a
GS4-890-LF0072-NY

3c. Policy Effective Period

06/01/26 to 07/01/27

4. Policy provides the following benefits:

- ☒ A. Both disability and Paid Family Leave benefits.
☐ B. Disability benefits only.
☐ C. Paid Family Leave benefits only.

5. Policy covers:

- ☒ A. All of the employer's employees eligible under the NYS Disability and Paid Family Leave Benefits Law.
☐ B. Only the following class or classes of employer's employees:

Under penalty of perjury, I certify that I am an authorized representative or licensed agent of the insurance carrier referenced above and that the named insured has NYS disability and/or Paid Family Leave benefits insurance coverage as described above.

Date Signed 08/22/25

By

Joseph Morton IV

(Signature of insurance carrier's authorized representative or NYS licensed insurance agent of that insurance carrier)

Telephone Number 800-423-2765

Name and Title Joseph Morton IV, AVP, Operations

IMPORTANT: If Boxes 4A and 5A are checked, and this form is signed by the insurance carrier's authorized representative or NYS Licensed Insurance Agent of that carrier, this certificate is COMPLETE. Mail it directly to the certificate holder.

If Box 4B, 4C or 5B is checked, this certificate is NOT COMPLETE for purposes of Section 220, Subd. 8 of the NYS Disability and Paid Family Leave Benefits Law. It must be emailed to PAU@wcb.ny.gov or it can be mailed for completion to the Workers' Compensation Board, Plans Acceptance Unit, PO Box 5200, Binghamton, NY 13902-5200.

PART 2. To be completed by the NYS Workers' Compensation Board (Only if Box 4B, 4C or 5B have been checked)

State of New York Workers' Compensation Board

According to information maintained by the NYS Workers' Compensation Board, the above-named employer has complied with the NYS Disability and Paid Family Leave Benefits Law (Article 9 of the Workers' Compensation Law) with respect to all of their employees.

Date Signed _____ By _____

(Signature of Authorized NYS Workers' Compensation Board Employee)

Telephone Number _____

Name and Title _____

Please Note: Only insurance carriers licensed to write NYS disability and Paid Family Leave benefits insurance policies and NYS licensed insurance agents of those insurance carriers are authorized to issue Form DB-120.1. **Insurance brokers are NOT authorized to issue this form.**



Additional Instructions for Form DB-120.1

By signing this form, the insurance carrier identified in Box 3 on this form is certifying that it is insuring the business referenced in Box 1a for disability and/or Paid Family Leave benefits under the NYS Disability and Paid Family Leave Benefits Law. The insurance carrier or its licensed agent will send this Certificate of Insurance Coverage (Certificate) to the entity listed as the certificate holder in Box 2.

The insurance carrier must notify the above certificate holder and the Workers' Compensation Board within 10 days IF a policy is cancelled due to nonpayment of premiums or within 30 days IF there are reasons other than nonpayment of premiums that cancel the policy or eliminate the insured from coverage indicated on this Certificate. (These notices may be sent by regular mail.) Otherwise, this Certificate is valid for one year after this form is approved by the insurance carrier or its licensed agent, or until the policy expiration date listed in Box 3c, whichever is earlier.

This Certificate is issued as a matter of information only and confers no rights upon the certificate holder. This Certificate does not amend, extend or alter the coverage afforded by the policy listed, nor does it confer any rights or responsibilities beyond those contained in the referenced policy.

This Certificate may be used as evidence of a NYS disability and/or Paid Family Leave benefits contract of insurance only while the underlying policy is in effect.

Please Note: Upon the cancellation of the disability and/or Paid Family Leave benefits policy indicated on this form, if the business continues to be named on a permit, license or contract issued by a certificate holder, the business must provide that certificate holder with a new Certificate of Insurance Coverage for NYS disability and/or Paid Family Leave Benefits or other authorized proof that the business is complying with the mandatory coverage requirements of the NYS Disability and Paid Family Leave Benefits Law.

NYS DISABILITY AND PAID FAMILY LEAVE BENEFITS LAW

§220. Subd. 8

(a) The head of a state or municipal department, board, commission or office authorized or required by law to issue any permit for or in connection with any work involving the employment of employees in employment as defined in this article, and notwithstanding any general or special statute requiring or authorizing the issue of such permits, shall not issue such permit unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that the payment of disability benefits and after January first, two thousand and twenty-one, the payment of family leave benefits for all employees has been secured as provided by this article. Nothing herein, however, shall be construed as creating any liability on the part of such state or municipal department, board, commission or office to pay any disability benefits to any such employee if so employed.

(b) The head of a state or municipal department, board, commission or office authorized or required by law to enter into any contract for or in connection with any work involving the employment of employees in employment as defined in this article and notwithstanding any general or special statute requiring or authorizing any such contract, shall not enter into any such contract unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that the payment of disability benefits and after January first, two thousand eighteen, the payment of family leave benefits for all employees has been secured as provided by this article.



CERTIFICATE OF LIABILITY INSURANCE

DATE MM/DD/YYYY
04/02/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Services Central, Inc. Chicago IL Office 200 East Randolph Chicago IL 60601 USA	CONTACT NAME:	
	PHONE (A/C. No. Ext): (866) 283-7122	FAX (A/C. No.): (800) 363-0105
INSURED L&M Bus Corp. 231 Malta Street Brooklyn NY 11207 USA	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	
	NAIC #	
	INSURER A: Old Republic Insurance Company	24147
	INSURER B: AIU Insurance Company	19399
	INSURER C: Commerce & Industry Ins Co	19410
INSURER D:		
INSURER E:		
INSURER F:		

Holder Identifier :

COVERAGES **CERTIFICATE NUMBER:** 570119170303 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL NSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PROJECT ☒ LOC ☐ OTHER:	Y		MWZY31683726 SIR applies per policy terms & conditions	04/01/2026	04/01/2027	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$2,000,000 MED EXP (Any one person) PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP OP AGG \$2,000,000
A	☒ AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY			MWTB-316836-26 AOS	04/01/2026	04/01/2027	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000 BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
	☐ UMBRELLA LIAB ☐ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE ☐ DED ☐ RETENTION						EACH OCCURRENCE AGGREGATE
B	☒ WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	16604816 AOS 16604817 WI	04/01/2026	04/01/2027	PER STATUTE E.L. EACH ACCIDENT \$2,000,000 E.L. DISEASE-EA EMPLOYEE \$2,000,000 E.L. DISEASE-POLICY LIMIT \$2,000,000

Certificate No : 570119170303

DESCRIPTION OF OPERATIONS LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: Contract: Preschool Bus Transportation. County of Nassau is included as Additional Insured in accordance with the policy provisions of the General Liability policy.

CERTIFICATE HOLDER

CANCELLATION

County of Nassau 200 County Seat Drive Mineola NY 11501 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Central, Inc.</i>



Page _ of _

AGENCY Aon Risk Services Central, Inc.		NAMED INSURED L&M Bus Corp.
POLICY NUMBER See Certificate Number: 570119170303		
CARRIER See Certificate Number: 570119170303	NAIC CODE	EFFECTIVE DATE:

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: ACORD 25 **FORM TITLE:** Certificate of Liability Insurance

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER	
INSURER	
INSURER	
INSURER	

If a policy below does not include limit information, refer to the corresponding policy on the ACORD certificate form for policy limits

[illegible]



CERTIFICATE OF NYS WORKERS' COMPENSATION INSURANCE COVERAGE

1a. Legal Name & Address of Insured (use street address only) L&M Bus Corp 231 Malta Street Brooklyn, NY 11207 Work Location of Insured (Only required if coverage is specifically limited to certain locations in New York State, i.e., a Wrap-Up Policy)	1b. Business Telephone Number of Insured (866) 283-7122 1c. NYS Unemployment Insurance Employer Registration Number of Insured 1d. Federal Employer Identification Number of Insured or Social Security Number [REDACTED]
2. Name and Address of Entity Requesting Proof of Coverage (Entity Being Listed as the Certificate Holder) County of Nassau 200 County Seat Drive Mineola, NY 11501	3a. Name of Insurance Carrier AIU Insurance Company 3b. Policy Number of Entity Listed in Box "1a" 016604816 3c. Policy effective period 04/01/2026 to 04/01/2027 3d. The Proprietor, Partners or Executive Officers are ☒ included. (Only check box if all partners/officers included) ☐ all excluded or certain partners/officers excluded. ☐

This certifies that the insurance carrier indicated above in box "3" insures the business referenced above in box "1a" for workers' compensation under the New York State Workers' Compensation Law. **(To use this form, New York (NY) must be listed under Item 3A on the INFORMATION PAGE of the workers' compensation insurance policy).** The Insurance Carrier or its licensed agent will send this Certificate of Insurance to the entity listed above as the certificate holder in box "2".

The insurance carrier must notify the above certificate holder and the Workers' Compensation Board within 10 days IF a policy is canceled due to nonpayment of premiums or within 30 days IF there are reasons other than nonpayment of premiums that cancel the policy or eliminate the insured from the coverage indicated on this Certificate. (These notices may be sent by regular mail.) **Otherwise, this Certificate is valid for one year after this form is approved by the insurance carrier or its licensed agent, or until the policy expiration date listed in box "3c", whichever is earlier.**

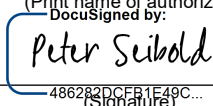
This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policy listed, nor does it confer any rights or responsibilities beyond those contained in the referenced policy.

This certificate may be used as evidence of a Workers' Compensation contract of insurance only while the underlying policy is in effect.

Please Note: Upon cancellation of the workers' compensation policy indicated on this form, if the business continues to be named on a permit, license or contract issued by a certificate holder, the business must provide that certificate holder with a new Certificate of Workers' Compensation Coverage or other authorized proof that the business is complying with the mandatory coverage requirements of the New York State Workers' Compensation Law.

Under penalty of perjury, I certify that I am an authorized representative or licensed agent of the insurance carrier referenced above and that the named insured has the coverage as depicted on this form.

Approved by: Peter Seibold
(Print name of authorized representative or licensed agent of insurance carrier)

Approved by:  06-Apr-2026
(Signature) (Date)

Title: attorney in fact

Telephone Number of authorized representative or licensed agent of insurance carrier: _____

Please Note: Only insurance carriers and their licensed agents are authorized to issue Form C-105.2. Insurance brokers are NOT authorized to issue it.

Workers' Compensation Law

Section 57. Restriction on issue of permits and the entering into contracts unless compensation is secured.

1. The head of a state or municipal department, board, commission or office authorized or required by law to issue any permit for or in connection with any work involving the employment of employees in a hazardous employment defined by this chapter, and notwithstanding any general or special statute requiring or authorizing the issue of such permits, shall not issue such permit unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that compensation for all employees has been secured as provided by this chapter. Nothing herein, however, shall be construed as creating any liability on the part of such state or municipal department, board, commission or office to pay any compensation to any such employee if so employed.
2. The head of a state or municipal department, board, commission or office authorized or required by law to enter into any contract for or in connection with any work involving the employment of employees in a hazardous employment defined by this chapter, notwithstanding any general or special statute requiring or authorizing any such contract, shall not enter into any such contract unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that compensation for all employees has been secured as provided by this chapter.