



Traxis Financial Group | 201 Orange Street | New Haven, Connecticut 06510 | 203.562.0200

CASE STUDY

Creative Bus Leasing Solutions for Blue Bird Customers Federal Lease Product

Blue Bird Financial Services (BBFS) Structures Federal Leases to Benefit U.S. Government Entities

The United States Marine Corps (USMC) identified a need for 17 customized buses, to be deployed at various USMC locations across the United States, in order to transport high-visibility Marines in safety and comfort. The ceremonial USMC units (bands, drills, etc.) required considerably individualized vehicles with distinguishing markings, colors and minimum passenger and storage capacity; the Marines also requested a tailored leasing solution that would provide them with maximum flexibility and an integrated financing and maintenance servicing solution. Blue Bird Financial Services (BBFS), a member of the

Traxis Financial Group, and Blue Bird Body Company were able to fulfill all of the USMC's objectives. Blue Bird met the USMC's phase-in schedule of 17 coach-style buses, each equipped with specific comfort and entertainment features. BBFS/TFG delivered a single financing solution that integrated both an advantageous leasing schedule and a separate third-party maintenance agreement.

Given the challenging budgetary environment that the armed forces and federal agencies in general face, the USMC preferred a lease to a cash purchase or an installment purchase. The reduced financial

burden of a lease allowed the USMC to use more readily available operating funds rather than longer-term capital funds. Moreover, BBFS/TFG was able to structure the 5 year term lease as a series of 1 year leases with optional annual renewals. This provided the USMC increased financial flexibility in future years, allowing the USMC to adjust to unforeseen budgetary constraints. BBFS/TFG was also able to accommodate standard government invoice and payment terms and incorporate a third party bus maintenance agreement into one payment schedule.

LEASE TERMS:	
Transaction Type:	Federal Lease
Term of Lease:	5 years; series of 1 year leases with annual renewal options
Payment Frequency:	Quarterly
Number/Type of Buses:	17 customized Blue Bird coach-style buses
Quarterly Lease Payment:	\$170,027.75
Quarterly Maintenance Payment:	\$67,332.69
Total Quarterly USMC Payment:	\$237,360.44

www.traxisfinancialgroup.com