

Headnote:

Mutual Reliance Review System for Exemptive Relief Applications - Issuer deemed to have ceased to be a reporting issuer following plan of arrangement as issuer has only one equity security holder - Senior Notes outstanding with 15 institutional investors in U.S. Issuer has given notice of mandatory redemption of Senior Notes.

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 88

IN THE MATTER OF THE SECURITIES LEGISLATION OF THE PROVINCES OF BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, ONTARIO, QUÉBEC, NOVA SCOTIA AND NEWFOUNDLAND

AND

IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS

IN THE MATTER OF WESTERN STAR TRUCKS INC.

MRRS DECISION DOCUMENT

[para 1]

WHEREAS the local securities regulatory authority or regulator (collectively, the "Decision Makers") in each of the provinces of British Columbia, Alberta, Saskatchewan, Ontario, Québec, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application from Western Star Trucks Inc. (the "Applicant") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the Applicant be deemed to have ceased to be a reporting issuer under the Legislation;

[para 2]

AND WHEREAS pursuant to section 3.2 of National Policy 12-201 *Mutual Reliance Review System for Exemptive Relief Applications* (the "System"), the British Columbia Securities Commission is the principal regulator for this application;

[para 3]

AND WHEREAS the Applicant has represented to the Decision Makers that:

1. The Applicant was incorporated under the *Company Act* (British Columbia) (the "Company Act") as 395220 British Columbia Ltd. on October 22, 1990 and changed its name to Western Star Trucks Holdings Ltd. ("WSTH") on May 21, 1991; on September 26, 2000, WSTH amalgamated with 596951 B.C. Ltd. (the "Acquiror") and the resulting company amalgamated with Western Star Trucks Inc. on September 27, 2000 to form the Applicant;
2. the registered office of the Applicant is located in Vancouver, British Columbia;
3. the Applicant is a reporting issuer in each of the Jurisdictions;
4. the Applicant is not in default of any of the requirements of the Legislation or any other securities or corporate legislation to which it is subject;

5. WSTH, Freightliner LLC ("Freightliner") and the Acquiror entered into an arrangement agreement dated July 19, 2000 as amended and restated on August 10, 2000, to effect an arrangement under section 252 of the Company Act (the "Arrangement");
6. the authorized capital of WSTH consisted of 30,000,000 shares divided into (i) 25,000,000 common shares (the "Common Shares") and (ii) 5,000,000 preferred shares without par value, issuable in series, of which as of August 4, 2000, 14,450,558 Common Shares and 600,000 preferred shares (the "Preferred Shares") were issued and outstanding;
7. the Arrangement was approved by the security holders of WSTH at a meeting held on September 18, 2000 and a final court order approving the Arrangement was obtained on September 21, 2000 and filed with the Registrar under the Company Act on September 26, 2000 (the "Effective Date");
8. pursuant to the Arrangement, on the Effective Date the Acquiror acquired all of the outstanding Common Shares and Preferred Shares of WSTH for cash and all outstanding options to acquire Common Shares (the "Options") were exchanged by the option holders with WSTH for cash;
9. the authorized capital of the Applicant consists of 20,000,000 shares divided into 10,000,000 common shares and 10,000,000 preferred shares, of which no preferred shares and 1,082,782 common shares are issued and outstanding as of September 27, 2000, all of which are owned, indirectly, by Freightliner;
10. the only other issued and outstanding securities of the Applicant consist of US \$110 million principal amount of 8.75% senior notes due May 1, 2007 (the "Notes") issued under an indenture dated May 13, 1997 (the "Indenture") between, among others, WSTH, The Bank of Nova Scotia Trust Company of New York (the "U.S. Trustee") and Montreal Trust Company of Canada (the "Canadian Trustee" and, together with the U.S. Trustee, the "Trustees");
11. the Trustees on behalf of the Applicant issued a notice of redemption on September 26, 2000 calling for the mandatory redemption of the Notes on October 30, 2000;
12. the Applicant has irrevocably deposited with the U.S. Trustee as trust funds an amount sufficient to redeem the Notes in their entirety and all of the Applicant's obligations under the Indenture have been satisfied and discharged and the Indenture has ceased to be of further effect;
13. the Applicant filed with the United States Securities and Exchange Commission two Certifications and Notices on Form 15 to terminate registration of the Notes and Common Shares under the United States Securities Exchange Act of 1934, as amended, and thereby suspended its ongoing reporting obligations under such Act as of September 27, 2000;
14. Freightliner is, indirectly, the only equity security holder of the Applicant and therefore there are fewer than 15 equity security holders whose latest address, as shown on the books of the Applicant, is in any of the Jurisdictions;
15. the only other security holders are 15 institutional investors who hold all of the Notes, each of whose address as shown on the books of Depository Trust Company is in the United States;
16. the Applicant's Common Shares were delisted from the Toronto Stock Exchange on September 27, 2000; trading of the Applicant's Common Shares was suspended on the American Stock Exchange on September 28, 2000 and were delisted from the American Stock Exchange on October 18, 2000;

17. the Applicant no longer has any of its securities listed or quoted on any stock exchange or market and has no current intentions to distribute any securities to the public; and

18. the Applicant does not intend to seek public financing by way of an offering of its securities.

[para 4]

AND WHEREAS under to the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

[para 5]

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Makers with the jurisdiction to make the Decision has been met;

The Decision of the Decision Makers under the Legislation is that the Applicant is deemed to have ceased to be a reporting issuer, or the equivalent, under the Legislation.

[para 6]

DATED November 8, 2000.

"Brenda Leong"
Director