

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF NOVA SCOTIA,  
ALBERTA, BRITISH COLUMBIA, SASKATCHEWAN AND MANITOBA**

**AND**

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

**AND**

**IN THE MATTER OF  
ANC RENTAL CORPORATION**

**MRRS DECISION DOCUMENT**

WHEREAS the local securities regulatory authority or regulator (collectively, the "Decision Makers") in Nova Scotia, Alberta, British Columbia, Saskatchewan and Manitoba (the "Jurisdictions") have received an application on behalf of ANC Rental Corporation (the "Corporation") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the issuance of shares of the common stock of the Corporation to eligible employees of the Corporation or its affiliates (the "Participants") who reside in a Jurisdiction pursuant to the Corporation's Employee Stock Purchase Plan (the "Plan") and the first trades of those shares acquired pursuant to the Plan are not subject to the requirements contained in the Legislation to be registered to trade in a security (the "Registration Requirements") and to file and obtain a receipt for a preliminary prospectus and a prospectus (collectively, the "Registration and Prospectus Requirements").

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Nova Scotia Securities Commission is the principal regulator for this application;

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

1. The Corporation was incorporated under the laws of the State of Delaware.
2. The authorized capital of the Corporation consists of 250,000,000 shares of common stock, with a par value of U.S. \$0.01 (the "Common Shares") and 10,000,000 shares of preferred stock, with a par value of U.S. \$0.01 (the "Preferred Shares"). As at the date hereof, approximately 45,140,728 Common Shares and no Preferred Shares are issued and outstanding.
3. The Corporation is not and has no present intention of becoming a reporting issuer or the equivalent in Nova Scotia or any other province of Canada.

4. The Corporation is a reporting company with the United States Securities and Exchange Commission (the "SEC") and is current in its reporting obligations under the *Securities Exchange Act* of 1934, as amended.

5. The Common Shares are not traded on any securities exchange or over-the-counter market in Canada. The Common Shares are listed and posted for trading on the National Association of Securities Dealers Automated Quotation system ("NASDAQ"). The Corporation is current in all filings required by NASDAQ.

6. The purpose of the Plan is to give Participants the opportunity to participate in the ownership and economic progress of the Corporation.

7. Merrill Lynch, Pierce, Fenner & Smith Incorporated (or such other account administrator as the Corporation may designate) will act as account administrator (the "Administrator") under the Plan. The Administrator is and will be a broker-dealer registered under the United States legislation but is not and will not be a registrant under the Legislation.

8. Pursuant to the Plan, each Participant may make a contribution to the Plan for the purchase of Common Shares through a periodic payroll deduction. All such contributions are credited to the relevant Participant's Plan account with the Administrator and applied by the Administrator on a periodic basis toward the purchase of whole and/or fractional Common Shares, which shares will be issued from the Corporation's authorized but unissued shares. The Corporation may issue Common Shares to the Administrator on behalf of a Participant. The purchase price for each Common Share acquired under the Plan shall be the fair market value of a Common Share on the applicable purchase date less a discount.

9. All sales of Common Shares acquired under the Plan will be made through the Administrator or a registrant under the Legislation or pursuant to an exemption under the Legislation.

10. Pursuant to the Plan, an otherwise eligible Participant may not participate in the Plan if such Participant owns (or if participation in the Plan would cause the Participant to own) capital stock representing five percent (5%) or more of the total voting power of all classes of stock of the Corporation or of any of its affiliates.

11. In the United States, the Common Shares distributed under the Plan have been registered under a registration statement filed by the Corporation with the SEC (the "Statement").

12. As of the date hereof, the Corporation and its affiliates have approximately fifty-nine (59) employees resident in Nova Scotia, two hundred and sixty-two (262) employees resident in Alberta, one hundred and thirty-two (132) employees resident in British Columbia, twenty-four (24) employees resident in Saskatchewan and thirty-four (34) employees resident in Manitoba.

13. Participants have not been and will not be induced to participate in the Plan, or to acquire Common Shares under the Plan, by expectation of employment or continued employment.

14. As of the date of issuance of any Common Shares to a Participant resident in a Jurisdiction, residents of Canada will hold less than ten percent (10%) of the total number of issued and outstanding Common Shares and the number of residents in Canada holding Common Shares will not be more than ten percent (10%) of the total number of holders of Common Shares as shown on the Corporation's books and records.

15. The Corporation intends to provide Participants resident in each Jurisdiction with generally the same level of disclosure in respect of the Plan as it provides to Participants residing in the United States, including a copy of the Plan, the prospectus delivered pursuant to the Statement and this Decision.

16. Participants in the Jurisdictions will be concurrently provided with all disclosure material relating to the Corporation that is provided to holders of Common Shares resident in the United States.

17. An exemption from the Registration and Prospectus Requirements is not available in all of the Jurisdictions for the issuance of Common Shares pursuant to the Plan to the Administrator on behalf of Participants resident in a Jurisdiction.

18. An exemption from the Registration and Prospectus Requirements is not available in all of the Jurisdictions to Participants, former Participants and/or the Administrator on their behalf for first trades in Common Shares acquired pursuant to the Plan.

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

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

THE DECISION OF the Decision Makers pursuant to the Legislation is that:

(i) the Registration and Prospectus Requirements shall not apply to the issuance by the Corporation of Common Shares pursuant to the Plan to Participants resident in a Jurisdiction or to the Administrator on their behalf provided that a first trade in Common Shares acquired pursuant to this Decision is deemed to be a distribution or a primary distribution to the public under the Legislation unless such first trade is executed through the facilities of and in accordance with the rules and laws applicable to NASDAQ; and

(ii) the Registration Requirements shall not apply to the Administrator or to first trades in Common Shares acquired under the Plan made through the Administrator.

DATED at Halifax, Nova Scotia on September "29", 2000.

