

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

AND

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

AND

IN THE MATTER OF EGL, INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Manitoba, Quebec and Nova Scotia (the "Jurisdictions") has received an application from EGL, Inc. ("EGL") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirements contained in the Legislation that prohibit a person or company from:

1. trading in a security unless the person or company is registered in the appropriate category of registration under the Legislation (the "Registration Requirement"); and
2. distributing a security unless a preliminary prospectus and prospectus for the security have been filed and receipts obtained for them (the "Prospectus Requirement");

shall not apply to certain intended trades in securities of EGL under EGL's Employee Stock Purchase Plan (the "Plan");

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System") the Executive Director of the British Columbia Securities Commission is the principal regulator for this application;

AND WHEREAS EGL has represented to the Decision Makers that:

1. EGL is incorporated under the laws of and has its head office in Texas;
2. EGL is not and has no present intention of becoming a reporting issuer or the equivalent under the Legislation of any of the Jurisdictions, but is subject to the reporting requirements of the United States *Securities Exchange Act* of 1934 (the "1934 Act");
3. the authorized share capital of EGL consists of 100,000,000 shares of Common Stock (the "Common Shares") and 10,000,000 shares of Preferred Stock, of which 28,614,174 Common Shares (net of 1,284,433 repurchased treasury shares) and no shares of preferred stock were issued and outstanding as at May 8, 2000;

4. the Common Shares are quoted on the National Market tier of the National Association of Securities Dealers Automated Quotation system ("Nasdaq");
5. EGL has several subsidiaries (the "Subsidiaries"), none of which are or have any intention of becoming reporting issuers or the equivalent under the Legislation of any of the Jurisdictions;
6. EGL established the Plan for the benefit of its employees, and, under the Plan, eligible employees are provided with an opportunity to acquire Common Shares of EGL by means of payroll deduction;
7. EGL extended the Plan to employees of the Subsidiaries (the "Employees"), of which there are approximately 102 Employees resident in the Jurisdictions;
8. participation in the Plan is voluntary and the Employees will not be induced to participate in the Plan, or to acquire Common Shares under the Plan, by expectation of employment or continued employment with EGL or a Subsidiary;
9. EGL has engaged a plan administrator (the "Administrator") to administer the operation of the Plan, including maintaining an account on behalf of each Employee who participates in the Plan (a "Participant") and conducting the sale by Participants of any Common Shares obtained under the Plan;
10. the Administrator is registered as a broker-dealer under the 1934 Act, but is not registered under any of the Legislation;
11. the Administrator will not offer any advice to the Employees regarding the decision to acquire, hold or sell the Common Shares obtained under the Plan;
12. all sales of Common Shares made on behalf of Participants under the Plan will be made by the Administrator through Nasdaq in accordance with its rules;
13. the registered holders of Common Shares in each Jurisdiction:
 - (a) represent less than 10% of all registered holders of Common Shares; and
 - (b) own less than 10% of all outstanding Common Shares;
14. Participants who acquire Common Shares under the Plan will be provided with a copy of the Plan, the United States prospectus for the Plan, this MRRS Decision Document and all continuous disclosure material relating to EGL which is provided to holders of Common Shares resident in the United States;
15. in certain of the Jurisdictions, the Legislation does not contain exemptions from the Registration Requirement and the Prospectus Requirement for the distribution of the Common Shares by EGL to Employees under the Plan;

16. where the Administrator sells Common Shares on behalf of a Participant under the Plan, neither the Participant nor the Administrator is able to rely on the exemption from the Registration Requirement contained in the Legislation for trades made by a person acting solely through a registered dealer under the Legislation;

17. in certain of the Jurisdictions any trade by the Participants in Common Shares acquired under the Plan is deemed to be a distribution unless, among other things, EGL has been a reporting issuer for the 12 months immediately preceding the trade; and

18. there is no present or anticipated future market in Canada for the Common Shares;

AND WHEREAS under 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 under the Legislation is that:

1. the Registration Requirement and the Prospectus Requirement shall not apply to a trade by EGL in Common Shares to a Participant under the Plan;
2. the Registration Requirement shall not apply to a trade by a Participant through the Administrator in Common Shares acquired under the Plan; and
3. a trade in Common Shares acquired under the Plan is deemed to be a distribution under the Legislation unless the trade is executed through the facilities of a stock exchange, including Nasdaq, outside of Canada in accordance with all applicable laws and rules.

DATED June 28, 2000.

"Margaret Sheehy"

Margaret Sheehy

Director

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - registration and prospectus relief for distributions of common shares of U.S. issuer that is not a reporting issuer or the equivalent in Canada to Canadian resident employees of subsidiaries - registration relief for trades of common shares acquired under the plan provided the trades are made through the plan administrator - prospectus relief for trades of common shares acquired under the plan provided the trades are made on stock exchange outside of Canada

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, ss. 34(1)(a), 48, 61, 76