Licence No.: 2561 PS

Licence Issued: July 11, 2002

IN ACCORDANCE WITH THE MANITOBA ENVIRONMENT ACT (C.C.S.M. c. E125) THIS PRELIMINARY STEPS LICENCE IS ISSUED PURSUANT TO SECTIONS 10(1) AND 13(2) TO:

MOTOR COACH INDUSTRIES LIMITED: "the Licencee"

to undertake preliminary steps related to the expansion of an existing motor coach manufacturing plant located at 1475 and 1479 Clarence Avenue in the City of Winnipeg, in accordance with the Environment Act Proposal dated May 24, 2002, subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"Director" means an employee of the department appointed as such by the Minister.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

- 1. The Licencee is authorized to undertake the following preliminary steps:
 - a. temporary access road;
 - b. site grading, removal of silt, subgrading to final design topography; and
 - c. removal of the necessary amount of soil from the areas where roads and structures are proposed.
- 2. The Licencee, if so ordered by the Director, shall be responsible and liable for returning the proposed plant site back to a state that is approved by the Director.

REVIEW OR REVOCATION

- A. If, in the opinion of the Director, the Licencee has failed or is failing to comply with any of the specifications, limits, terms or conditions set out herein, the Director may, temporarily or permanently, revoke this Licence.
- B. If the Licencee has not commenced with these preliminary steps within two weeks of the date of this Licence, this Licence is revoked.

"original signed by"
Larry Strachan, P. Eng.
Director
Environment Act

Client File No.: 4777.00