

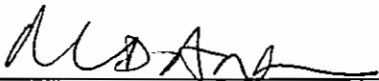
SETTLEMENT AGREEMENT

WHEREAS a class proceeding has been commenced in the Supreme Court of British Columbia under Action No. L021149 (the "Pension Action") in relation to the operation of the Western Star Trucks Inc. Pension Plan for Non-Bargaining Employees and its predecessor plans (the "Pension Plan") on behalf of a class of persons described in paragraph 2 of a Certification Order dated January 12, 2005 (the "Plaintiff Class").

AND WHEREAS the Plaintiff Class and the defendants have agreed to settle the Pension Action and all other claims or disputes arising from or in connection with the Pension Plan on the terms and conditions set out herein.

1. The defendants, in full and final settlement of all claims including those raised in the Pension Action and any other claims arising from or in connection with the Pension Plan agree to pay the following amounts:
 - (a) \$5,625,000 from the defendant Freightliner Ltd.; and
 - (b) \$125,000 from the defendants The Canada Trust Company and CIBC Mellon Trust Company less any withholding taxes or other deductions required by law (the "Settlement Amount").
2. The Settlement Amount is all inclusive.
3. The Settlement Amount will be paid to the persons and in the manner determined by the plaintiffs' counsel and their clients, as approved by the Court or in the absence of determination by plaintiffs' counsel and their client, as determined by the Court.
4. The parties agree that a dismissal of the Pension Action will be entered without costs to any party on the basis that said dismissal shall be for all purposes of the same force and effect as if a judgment dismissing the Pension Action had been pronounced after a determination of the common issues and a trial of the action on the merits and in a form reasonably satisfactory to counsel.
5. This Agreement is binding on all members of the class who have not opted out of the class pursuant to earlier orders of the Court.
6. This Agreement is subject to court approval pursuant to the *Class Proceeding Act*.

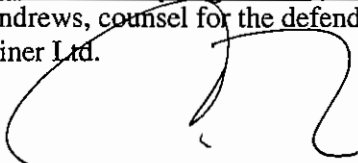
Agreed to this 17th day of July, 2008.



Mark Andrews, counsel for the defendant
Freightliner Ltd.



Dan Gleadle, counsel for the Plaintiff Class



Craig Ferris, counsel for the defendants CIBC
Mellon Trust Company and Canada Trust
Company