

# SECURITIES AND EXCHANGE COMMISSION

## FORM 8-K

Current report filing

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### FILER

#### **MINORPLANET SYSTEMS USA INC**

CIK: **944400** | IRS No.: **510352879** | State of Incorpor.: **DE** | Fiscal Year End: **0831**  
Type: **8-K** | Act: **34** | File No.: **000-26140** | Film No.: **04816436**  
SIC: **4812** Radiotelephone communications

Mailing Address  
*16479 DALLAS PARKWAY  
STE 710  
DALLAS TX 75248*

Business Address  
*1155 KAS DRIVE  
STE 710  
RICHARDSON TX 75081  
9727322500*



**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): May 3, 2004

**MINORPLANET SYSTEMS USA, INC.**

*(Exact Name of Registrant as Specified in Charter)*

DELAWARE

*(State or Other Jurisdiction of  
Incorporation or Organization)*

0-26140

*(Commission File  
Number)*

51-0352879

*(I.R.S. Employer  
Identification Number)*

1155 Kas Drive, Suite 100, Richardson, Texas 75081  
*(Address of Principal Executive Offices) (Zip Code)*

Registrant' s telephone number, including area code: (972) 301-2000

*(Former Name or Former Address, if Changed Since Last Report)*

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**Item 5. Other Events and Required FD Disclosure.**

Nasdaq Delisting Proceedings.

On February 2, 2004, Minorplanet Systems USA, Inc (“Minorplanet” or the “Company”) received a letter from the NASDAQ Listing Qualifications Staff indicating that, as a result of Minorplanet’s Chapter 11 bankruptcy filing, and in accordance with the Staff’s authority under NASDAQ Marketplace Rules 4330(a)(1) and 4300, Minorplanet’s securities would be delisted from the NASDAQ Stock Market at the opening of business on February 11, 2004, unless Minorplanet requested a hearing in accordance with the Marketplace Rule 4800 Series. Minorplanet requested and attended a hearing on March 11, 2004 before the NASDAQ Listing Qualifications Panel to appeal the Staff’s decision.

On April 20, 2004, Minorplanet received a letter from the Panel, notifying Minorplanet that it no longer satisfies the minimum bid requirement set forth in NASDAQ Marketplace Rule 4310(c)(4) and that the Panel would consider this additional noncompliance in rendering its decision regarding Minorplanet’s continued listing on the NASDAQ Stock Market. The Panel also requested an additional submission to address the compliance with the minimum bid requirement. Although there can be no assurances, Minorplanet currently believes that upon confirmation of the Plan, it will be able to regain compliance with the minimum bid requirement. A copy of the April 20, 2004 Nasdaq letter is attached hereto as Exhibit 99.4.

On May 3, 2004, Minorplanet received a written determination notice from the Panel indicating that Minorplanet’s securities would remain conditionally listed on The NASDAQ SmallCap market subject to the following exceptions:

on or before May 28, 2004, Minorplanet must submit documentation to NASDAQ evidencing that a hearing before the Bankruptcy Court for the approval of the Company’s Disclosure Statement was held; and

on or before June 30, 2004, Minorplanet must submit documentation to NASDAQ evidencing confirmation of Minorplanet’s plan of reorganization by the Bankruptcy Court and compliance with all requirements for continued listing on the NASDAQ SmallCap Market upon emergence from bankruptcy except for those deficiencies for which Minorplanet has been granted a “grace period” within which to regain compliance.

On May 6, 2004, the Panel issued a written determination which restated its May 3, 2004 determination with minor modifications. Copies of the May 3, 2004 determination letter and the May 6, 2004 determination letter are attached hereto as Exhibits 99.2 and 99.3 respectively. A copy of a press release issued May 5, 2004 announcing the Nasdaq determination letter is attached hereto as Exhibit 99.1.

Pursuant to NASDAQ Marketplace Rule 4310(c)(8)(D), the Panel also granted the company a 180-day grace period to achieve compliance with the \$1.00 minimum bid price requirement. The Panel further indicated that, effective on the opening of business on May 5, 2004, the trading symbol for Minorplanet’s securities will be changed from MNPLQ to MNPQC to indicate the conditional listing on the NASDAQ SmallCap Market. As per the Panel, the fourth character “Q” will remain appended to Minorplanet’s trading symbol pending Minorplanet’s emergence from bankruptcy, and the fifth character “C” will be removed from Minorplanet’s trading symbol upon confirmation of Minorplanet’s compliance with the terms of the exceptions and all other criteria for continued listing. The hearing on this Disclosure Statement is currently scheduled to be heard on May 24, 2004 at 1:30 p.m. Accordingly, Minorplanet believes it can comply with the Panel’s May 28, 2004 requirement for obtaining approval of the Disclosure Statement. Minorplanet intends to set the hearing on confirmation of the Plan before June 30, 2004 in order to achieve compliance with the Panel’s requirement to obtain confirmation on or before June 30, 2004.

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On May 10, 2004, Minorplanet received written notice from the Panel indicating that Minorplanet no longer complied with the \$1 million minimum market value of publicly held shares requirement set forth in NASDAQ Marketplace Rule 4310(c)(7) and that the Panel would consider this additional noncompliance in rendering its decision regarding Minorplanet's continued listing on the NASDAQ Stock Market. For purposes of calculation of the \$1 million minimum market value, stock held by directors, officers and 10% or more holders of the Company's securities are not included. The Panel noted that NASDAQ Marketplace Rule 4310(c)(8)(B) provided Minorplanet with 90 days to regain compliance. However, the Panel requested an additional submission to address the compliance with the minimum bid requirement. Although there can be no assurances, Minorplanet currently believes that upon confirmation of the Plan, it will be able to regain compliance with the minimum market value requirement. A copy of the May 10, 2004 Nasdaq letter is attached hereto as Exhibit 99.5.

In the event Minorplanet cannot achieve compliance with the Panel's exceptions, and Minorplanet's securities are delisted from the NASDAQ SmallCap Market, such securities will not be immediately eligible to trade on the OTC Bulletin Board since Minorplanet is the subject of bankruptcy proceedings. Although the New Common Stock would not immediately be eligible for quotation on the OTC Bulletin Board following a delisting, such stock may become eligible if a market maker makes application to register in and quote such stock in accordance with Securities and Exchange Commission Rule 15c2-11, and such application is cleared.

### **Item 7. Financial Statements and Exhibits**

(c) Exhibits. The following exhibits are filed with this document:

<b>Exhibit No.</b>	<b>Description</b>
99.1	Press Release, dated May 5, 2004, announcing the Panel's determination to permit the Company's securities to remain conditionally listed on The Nasdaq SmallCap market subject to the several exceptions.
99.2	Determination Letter dated May 3, 2004 from the Panel indicating that the Company's securities may remain conditionally listed on The Nasdaq SmallCap market subject to the several exceptions.
99.3	Restated Determination Letter dated May 6, 2004 from the Panel indicating that the Company's securities may remain conditionally listed on The Nasdaq SmallCap market subject to the several exceptions.
99.4	Letter from Panel dated April 20, 2004 indicating that the Company no longer satisfied the minimum bid requirement under Marketplace Rule 4310(c)(4).
99.5	Letter from Panel dated May 10, 2004 indicating that the Company no longer satisfied the \$1 million minimum market value of publicly held securities requirement under Marketplace Rule 4310(c)(7).

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MINORPLANET SYSTEMS USA, INC.

/s/ J. Raymond Bilbao

J. Raymond Bilbao  
Senior Vice President, General Counsel &  
Secretary

Date: May 18, 2004

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<b>Exhibit No.</b>	<b>Description</b>
99.1	Press Release, dated May 5, 2004, announcing the Panel' s determination to permit the Company' s securities to remain conditionally listed on The Nasdaq SmallCap market subject to the several exceptions.
99.2	Determination Letter dated May 3, 2004 from the Panel indicating that the Company' s securities may remain conditionally listed on The Nasdaq SmallCap market subject to the several exceptions.
99.3	Restatement of May 3, 2004 Determination Letter dated May 6, 2004 from the Panel indicating that the Company' s securities may remain conditionally listed on The Nasdaq SmallCap market subject to the several exceptions.
99.4	Letter from Panel dated April 20, 2004 indicating that the Company no longer satisfied the minimum bid requirement under Marketplace Rule 4310(c)(4).
99.5	Letter from Panel dated May 10, 2004 indicating that the Company no longer satisfied the \$1 million minimum market value of publicly held securities requirement under Marketplace Rule 4310(c)(7).

FOR IMMEDIATE RELEASE

CONTACT:

W. Michael Smith  
Chief Operating Officer  
(972) 301-2450  
www.minorplanetusa.com

NASDAQ DETERMINES MINORPLANET SYSTEMS USA, INC. TO RETAIN LISTING ON NASDAQ  
SMALLCAP MARKET SUBJECT TO EXCEPTIONS

RICHARDSON, TEXAS, MAY 5, 2004 - Minorplanet Systems USA, Inc. (NASDAQ: MNPQC), a leading provider of telematics-based management solutions for commercial fleets, today announced that the company had received a written determination notice from the Nasdaq Listing Qualifications Panel on May 3, 2004 indicating that the company's securities would remain conditionally listed on The Nasdaq SmallCap market subject to the following exceptions:

- o On or before May 28, 2004, the company must submit documentation to the Nasdaq evidencing that a hearing before the Bankruptcy Court for the approval of the company's Disclosure Statement was held;
- o On or before Jun. 30, 2004, the company must submit documentation to the Nasdaq evidencing confirmation of the company's plan of reorganization by the Bankruptcy Court and compliance with all requirements for continued listing on The Nasdaq SmallCap Market upon emergence from bankruptcy except for those deficiencies for which the company has been granted a "grace period" within which to regain compliance.

Pursuant to Nasdaq Marketplace Rule 4310(c)(8)(D), the Panel also granted the company a 180-day grace period to achieve compliance with the \$1.00 minimum bid price requirement.

The Panel further indicated that effective on the opening of business on May 5, 2004, the trading symbol for the company's securities will be changed from MNPLQ to MNPQC to indicate the conditional listing on The Nasdaq SmallCap Market. As per the Panel, the fourth character "Q" will remain appended to the company's trading symbol pending the company's emergence from bankruptcy, and the fifth character "C" will be removed from the company's symbol upon confirmation of the company's compliance with the terms of the exceptions and all other criteria for continued listing.

"We currently expect to obtain confirmation of our plan by Jun. 30, 2004 and retain the company's Nasdaq listing," said Dennis Casey, president and chief executive officer. "In fact, the disclosure statement hearing is set for May 24, 2004, ahead of the May 28, 2004 deadline." In closing remarks Mr. Casey said, "We believe that the company will emerge from chapter 11 with a much

improved capital and expense structure and be well positioned to capitalize on the large and growing market for mobile tracking and communications."

ABOUT MINORPLANET SYSTEMS USA, INC.

Minorplanet Systems USA, Inc. (minorplanetusa.com) markets, sells and supports Vehicle Management Information(TM) (VMI(TM)), a state-of-the-art fleet management solution that contributes to higher customer revenues and improved operator efficiency. VMI combines the technologies of the global positioning system (GPS) and wireless vehicle telematics to monitor vehicles, minute by minute, in real time. Based in Richardson, Texas, the company also markets, sells and supports a customized, GPS-based fleet management solution for large fleets like SBC Communications, Inc., which has approximately 31,500 installed vehicles now in operation.

- MORE -

NASDAQ DETERMINES MINORPLANET SYSTEMS USA, INC. TO RETAIN LISTING ON NASDAQ SMALLCAP MARKET SUBJECT TO EXCEPTIONS - PAGE 2

LEGAL NOTICE TO INVESTORS: Certain matters discussed in this press release are "forward-looking statements" intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified as such because the context of the statement will include words such as the company "expects," "believes," "anticipates" or words of similar import. Similarly, statements that describe the company's future plans, objectives or goals are also forward-looking statements. Such forward-looking statements generally involve known and unknown risks, uncertainties and other facts, which may cause the actual results, performance or achievements of the company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following: ability to maintain the company's Nasdaq Stock Market listing; ability to obtain the necessary approval of a plan of reorganization by the creditors on or before June 30, 2004; ability to obtain confirmation of a plan of reorganization by the Bankruptcy Court on or before June 30, 2004; ability to obtain approval of a Disclosure Statement by the Bankruptcy Court on or before May 28, 2004, ability to obtain a valuation of the company at a level which allows the company to fully satisfy creditors' claims by issuance of equity securities; ability to obtain approval of the Bankruptcy Court of the financing; ability to demonstrate compliance with the Nasdaq SmallCap Market continued listing requirements upon emergence from bankruptcy; ability to regain compliance with the Nasdaq SmallCap Market \$1.00 minimum bid requirement within the 180-day grace period afforded by the Nasdaq Panel; ability to successfully expand sales and marketing presence to additional metropolitan areas; ability to commercially introduce a GPRS-capable mobile unit; ability to obtain

certification of GPRS-based products with wireless carriers; acceptance of new product offerings; ability to achieve sales projections; ability to achieve and maintain margins during periods of rapid expansion; availability of capital to fund expansion; market conditions; general economic and business conditions; business abilities and judgment of management and personnel; changes in business strategy and competition. For a listing of risks applicable to the future prospects of the company, please refer to the reports filed with the SEC, such as recent 10-K and 10-Q Reports.

"Minorplanet" is a federally registered trademark and service mark of Minorplanet Limited. "Vehicle Management Information," "VMI," "Minorplanet Systems USA" and the orb logotype are trademarks and service marks of Minorplanet Limited.

(MNPL320)

Sent via Facsimile and Overnight Commercial Courier

May 3, 2004

Mr. J. Raymond Bilbao  
Senior Vice President, General Counsel and Secretary  
Minorplanet Systems USA, Inc.  
1155 Kas Drive, Suite 100  
Richardson, Texas 75081

Re: Minorplanet Systems USA, Inc. (System: MNPLQ)  
Nasdaq Listing Qualifications Hearings  
Docket NQ 4553C-04

Dear Mr. Bilbao:

This is to inform you that, pursuant to the March 11, 2004 oral hearing before a Nasdaq Listing Qualifications Panel (the "Panel"), a determination has been made in the matter of Minorplanet Systems USA, Inc. (the "Company") and its request for continued inclusion on The Nasdaq SmallCap Market, pursuant to an exception to the minimum bid price requirement, as set forth in Nasdaq Marketplace Rule 4310(c)(4), and notwithstanding staff's concerns regarding the Company's recent filing for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code, which were raised in accordance with Marketplace Rules 4300 and 4330(a)(1).(1)

After a careful review of the entire record, the Panel relied upon the following information in reaching its determination. The Company develops and implements mobile communications solutions for service vehicle fleets, long-haul truck fleets, and other mobile-asset fleets, including integrated voice, date and position location services. By press release dated February 2, 2004, the Company announced that it had filed for protection under Chapter 11 of the U.S. Bankruptcy Code. On that same date, Nasdaq notified the Company that its securities were subject to delisting based upon staff's concerns regarding the bankruptcy filing. On February 4, 2004, the Company requested a hearing, which stayed staff's delist determination. Subsequent to the hearing, on April 20, 2004, the Company was also notified that it failed to satisfy the \$1.00 bid price requirement for thirty consecutive trading days. The Company was provided with an opportunity to respond to the additional deficiency and did so by correspondence dated April, 26, 2004.(2)

The Company's Form 10-Q for the quarter ended February 29, 2004 reported total assets of \$48,405,000 and shareholders' equity of \$16,945,000. Revenue and net income (loss) for the six

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(1) In addition to the foregoing, by letter dated December 16, 2003, Nasdaq staff granted the Company a "cure" period within which to satisfy the independent director and audit committee requirements set forth in Marketplace Rules 4350 (c) (1) and 4350(d) (4), respectively, through the earlier of the Company's next annual shareholders' meeting or October 6, 2004.

(2) The April 26th correspondence was received by the Hearings Department on April 28, 2004.

month period ended February 29, 2004 totaled \$12,784,000 and \$(4,626,000), respectively. (3) The Company reported 9,671,484 total shares outstanding and 1,166,262 publicly held shares. The closing bid price for the Company's common stock on April 30, 2004 was \$0.67 per share; consequently, the market values for the Company's total listed securities and publicly held shares were \$6,479,894 and \$781,395, respectively. As of April 30, 2004, the Company failed to evidence a market value of publicly held shares of at least \$1,000,000 for 27 consecutive trading days. (4)

At the hearing, the Company explained that, although it remained solvent, it sought bankruptcy protection under Chapter 11 so as to more easily renegotiate certain unprofitable contracts and costly leases and to convert its existing debt into equity. On April 26, 2004, the Company filed its "Plan of Reorganization and Disclosure Statement" with the bankruptcy court. Pursuant to the plan, the Company will eliminate its outstanding indebtedness via the issuance of 7,000,000 shares of newly issued common stock to its unsecured creditors (the sole creditor class) and other stakeholders. The Company represented at the hearing that, subsequent to its emergence from bankruptcy, its current common shareholders will retain a 21%-28% interest in the reorganized entity. The Company anticipates a hearing on the Disclosure Statement within 30 days of the April 26th filing date and a hearing to obtain confirmation for the plan within thirty days thereafter. As indicated at the hearing, the Company continues to believe that it will emerge from bankruptcy on or about June 30, 2004.

The Company expects to satisfy all requirements for continued listing on The Nasdaq SmallCap Market upon its emergence from bankruptcy, including the \$1.00 bid price, 500,000 publicly held shares, and \$1,000,000 market value of publicly held shares requirements. By submission dated April 26, 2004, the Company reiterated its belief that consummation of the plan of reorganization will enable it to evidence compliance with the minimum bid price requirement as it anticipates a valuation of \$5.00 per common share, post-reorganization. The Company requested that the Panel grant it a 180-day period within which to remedy the bid price deficiency in accordance with Marketplace Rule 4310(c) (8) (D).

PANEL DECISION

Notwithstanding the Company's recent bankruptcy filing, the Panel was of the opinion that the public interest and the protection of investors would be served by the continued designation of the Company's securities on The Nasdaq SmallCap Market. The Panel acknowledged the Company's expectation that it will emerge from bankruptcy within the near term, on or about June 30, 2004. More importantly, the Panel noted that, under the plan of reorganization, it appears the Company's current common shareholders will retain a relatively significant stake in the reorganized entity. The Panel also noted that the Company currently complies will all requirements for continued listing on The Nasdaq SmallCap Market, but for the bid price, and expects to sustain compliance with the maintenance criteria throughout the restructuring process. With respect to the bid price deficiency, the Panel determined that the Company should be granted a 180-day period within which to satisfy the \$1.00 bid price requirement in accordance

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(3) The Forms 10-K for the fiscal years ended August 31, 2003 and 2002, and December 31, 2001 reported net income (loss) of \$(16,020,000), \$(9,778,000) and \$34,811,000 respectively.

(4) See Marketplace Rules 4310(c)(7) and 4310(c)(8)(B).

with Marketplace Rule 4310(c)(8)(D). The Panel also determined that, although the Company has not evidenced a market value of publicly held shares of at least \$1,000,000 for the past 27 consecutive business days, it is not yet deficient with respect to that standard as it has not failed the minimum standard for the requisite 30-day period.

BASED ON THE FORGOING, THE PANEL DETERMINED TO CONTINUE THE LISTING OF THE COMPANY'S SECURITIES ON THE NASDAQ SMALLCAP MARKET PURSUANT TO THE FOLLOWING EXCEPTION:

ON OR BEFORE MAY 28, 2004, THE COMPANY MUST SUBMIT DOCUMENTATION TO NASDAQ EVIDENCING THAT A HEARING BEFORE THE BANKRUPTCY COURT WAS HELD IN CONNECTION WITH THE DISCLOSURE STATEMENT FILED WITH THAT COURT ON APRIL 26, 2004. IN ADDITION, ON OR BEFORE JUNE 30, 2004, THE COMPANY MUST SUBMIT DOCUMENTATION TO NASDAQ EVIDENCING CONFIRMATION OF THE PLAN OF REORGANIZATION BY THE BANKRUPTCY COURT, THE COMPANY'S EMERGENCE FROM BANKRUPTCY AS WELL AS THE COMPANY'S COMPLIANCE WITH ALL REQUIREMENTS FOR CONTINUED LISTING ON THE NASDAQ SMALLCAP MARKET, BUT FOR THOSE DEFICIENCIES FOR WHICH THE COMPANY HAS BEEN GRANTED A "GRACE" PERIOD WITHIN WHICH TO REGAIN COMPLIANCE.

IN ORDER TO FULLY COMPLY WITH THE TERMS OF THIS EXCEPTION, THE COMPANY MUST BE ABLE TO DEMONSTRATE COMPLIANCE WITH ALL REQUIREMENTS FOR CONTINUED LISTING ON

THE NASDAQ SMALLCAP MARKET. IN THE EVENT THE COMPANY FAILS TO COMPLY WITH ALL OF THE TERMS OF THIS EXCEPTION, ITS SECURITIES WILL BE DELISTED FROM THE NASDAQ STOCK MARKET. (5)

It is a requirement during the exception period that the Company provide prompt notification of any significant events that occur during this time. This includes, but is not limited to, any event that may call into question the Company's historical financial information or that may impact the Company's ability to maintain compliance with any Nasdaq listing requirement. The Panel reserves the right to reconsider the terms of this exception based on any event, condition, or circumstance that exists or develops that would, in the opinion of the Panel, make continued listing of the Company's securities on The Nasdaq Stock Market inadvisable or unwarranted. In addition, any compliance document will be subject to review by the Panel, which may, in its discretion, request additional information before determining that the Company has complied with the terms of the exception.

In addition, all companies operating under exceptions are required to issue a press release announcing the conditional listing on The Nasdaq SmallCap Market and are identified by a fifth character "C" appended to the Company's trading symbol (see sample attached). ACCORDINGLY, EFFECTIVE WITH THE OPEN OF BUSINESS ON MAY 5, 2004, THE TRADING SYMBOL FOR THE COMPANY'S SECURITIES WILL BE CHANGED FROM MNPLQ TO MNPQC. The fourth character "Q" will remain appended to the Company's symbol pending the Company's emergence from bankruptcy. The fifth character "C" will be removed from the symbol upon confirmation of the Company's compliance with the terms of the exception and all other criteria for continued listing.

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(5) The Panel's determination is limited to those findings expressly set forth in this decision, which is based solely upon the facts and circumstances of this matter and should not be interpreted as precedent.

The Company should be aware that the Nasdaq Listing and Hearing Review Council (the "Listing Council") may, on its own motion, determine to review any Panel decision within 45 calendar days after issuance of the written decision. If the Listing Council determines to review this decision, it may affirm, modify, reverse, dismiss, or remand the decision to the Panel. The Company will be immediately notified in the event the Listing Council determines that this matter will be called for review.

The Company may also request that the Listing Council review this decision. The request for review must be made in writing and received within 15 days from the date of this decision. Requests for review and a copy of the check must be made in writing and faxed to (301) 912-3199, with the original sent to:

Mr. Timothy J. Larkin  
Counsel  
Office of Appeals and Review  
The Nasdaq Stock Market, Inc.  
1801 K Street, NW  
Washington, D.C. 20006

Mr. Larkin can be reached at (202) 912-3021.

Pursuant to Nasdaq Marketplace Rule 4840(b), the Company must submit a fee of \$4,000.00 to The Nasdaq Stock Market, Inc. to cover the cost of the review. The Company should send only its payment with the enclosed Appeal Fee Payment Form to:

Regular Mail(6)

Courier/Overnight

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The Nasdaq Stock Market, Inc.  
P.O. Box 7777-W0435  
Philadelphia, PA 19175-0435

or

The Nasdaq Stock Market, Inc.  
W0435  
C/O Mellon Bank, Rm 3490  
701 Market Street  
Philadelphia, PA 19106

Please be advised that the institution of a review, whether by way of the Company's request or on the initiative of the Listing Council, will not operate as a stay of this decision.

Should you have any questions, please do not hesitate to contact me at (301) 978-8077.

Sincerely,

(x) Katherine M. Roberson  
Katherine M. Roberson  
Counsel  
Nasdaq Listing Qualifications Hearings

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(6) Please note that the P.O. Box address will not accept courier or overnight deliveries.

Sent via Facsimile and Overnight Commercial Courier

May 6, 2004

Mr. J. Raymond Bilbao  
Senior Vice President, General Counsel and Secretary  
Minorplanet Systems USA, Inc.  
1155 Kas Drive, Suite 100  
Richardson, Texas 75081

Re: Minorplanet Systems USA, Inc. (System: MNPLQ)  
Nasdaq Listing Qualifications Hearings  
Docket NQ 4553C-04

Dear Mr. Bilbao:

This decision shall supersede the prior decision dated May 3, 2004(1)

This is to inform you that, pursuant to the March 11, 2004 oral hearing before a Nasdaq Listing Qualifications Panel (the "Panel"), a determination has been made in the matter of Minorplanet Systems USA, Inc. (the "Company") and its request for continued inclusion on The Nasdaq SmallCap Market, pursuant to an exception to the minimum bid price requirement, as set forth in Nasdaq Marketplace Rule 4310(c)(4), and notwithstanding staff's concerns regarding the Company's recent filing for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code, which were raised in accordance with Marketplace Rules 4300 and 4330(a)(1).(2)

After a careful review of the entire record, the Panel relied upon the following information in reaching its determination. The Company develops and implements mobile communications solutions for service vehicle fleets, long-haul truck fleets, and other mobile-asset fleets, including integrated voice, date and position location services. By press release dated February 2, 2004, the Company announced that it had filed for protection under Chapter 11 of the U.S. Bankruptcy Code. On that same date, Nasdaq notified the Company that its securities were subject to delisting based upon staff's concerns regarding the bankruptcy filing. On February 4, 2004, the Company requested a hearing, which stayed staff's delist determination. Subsequent to the hearing, on April 20, 2004, the Company was also notified that it failed to satisfy the \$1.00 bid price requirement for thirty consecutive trading days. The Company was provided with an

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(1) Changes to the prior decision dated May 3, 2004 have been italicized.

(2) In addition to the foregoing, by letter dated December 16, 2003, Nasdaq

staff granted the Company a "cure" period within which to satisfy the independent director and audit committee requirements set forth in Marketplace Rules 4350(c)(1) and 4350(d)(4), respectively, through the earlier of the Company's next annual shareholders' meeting or October 6, 2004.

opportunity to respond to the additional deficiency and did so by correspondence dated April, 26, 2004.(3)

The Company's Form 10-Q for the quarter ended February 29, 2004 reported total assets of \$48,405,000 and shareholders' equity of \$16,945,000. Revenue and net income (loss) for the six month period ended February 29, 2004 totaled \$12,784,000 and \$(4,626,000), respectively.(4) The Company reported 9,671,484 total shares outstanding and 1,166,262 publicly held shares. The closing bid price for the Company's common stock on April 30, 2004 was \$0.67 per share; consequently, the market values for the Company's total listed securities and publicly held shares were \$6,479,894 and \$781,395, respectively. As of April 30, 2004, the Company failed to evidence a market value of publicly held shares of at least \$1,000,000 for 27 consecutive trading days.(5)

At the hearing, the Company explained that, although it remained solvent, it sought bankruptcy protection under Chapter 11 so as to more easily renegotiate certain unprofitable contracts and costly leases and to convert its existing debt into equity. On April 26, 2004, the Company filed its "Plan of Reorganization and Disclosure Statement" with the bankruptcy court. Pursuant to the plan, the Company will eliminate its outstanding indebtedness via the issuance of 7,000,000 shares of newly issued common stock to its unsecured creditors (the sole creditor class) and other stakeholders. The Company represented at the hearing that, subsequent to its emergence from bankruptcy, its current common shareholders will retain a 21%-28% interest in the reorganized entity. The Company anticipates a hearing on the Disclosure Statement within 30 days of the April 26th filing date and a hearing to obtain confirmation for the plan within thirty days thereafter. As indicated at the hearing, the Company continues to believe that it will emerge from bankruptcy on or about June 30, 2004.

The Company expects to satisfy all requirements for continued listing on The Nasdaq SmallCap Market upon its emergence from bankruptcy, including the \$1.00 bid price, 500,000 publicly held shares, and \$1,000,000 market value of publicly held shares requirements. The Company also provided projections evidencing its continued ability to satisfy the shareholders' equity requirement throughout the bankruptcy process and thereafter.(6) Post-bankruptcy, the Company expects to report shareholders' equity of approximately \$25,000,000 and \$28,400,000 as of May 31, and December 31, 2004, respectively. By submission dated April 26, 2004, the Company reiterated its belief that consummation of the plan of reorganization will enable it to evidence compliance with the minimum bid price requirement as it anticipates a valuation of \$5.00 per common share,

post-reorganization. The Company requested that the Panel grant it a 180-day period within which to remedy the bid price deficiency in accordance with Marketplace Rule 4310(c)(8)(D).

PANEL DECISION

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(3) The April 26th correspondence was received by the Hearings Department on April 28, 2004.

(4) The Forms 10-K for the fiscal years ended August 31, 2003 and 2002, and December 31, 2001 reported net income (loss) of \$(16,020,000), \$(9,778,000) and \$34,811,000 respectively.

(5) See Marketplace Rules 4310(c)(7) and 4310(c)(8)(B).

(6) See Hearings Transcript, Exhibit 1.

Notwithstanding the Company's recent bankruptcy filing, the Panel was of the opinion that the public interest and the protection of investors would be served by the continued designation of the Company's securities on The Nasdaq SmallCap Market. The Panel acknowledged the Company's expectation that it will emerge from bankruptcy within the near term, on or about June 30, 2004. More importantly, the Panel noted that, under the plan of reorganization, it appears the Company's current common shareholders will retain a relatively significant stake in the reorganized entity. To that end, the Panel acknowledged that, under a strict interpretation of Nasdaq's shareholder approval requirements, the issuance of common stock to the Company's creditors pursuant to the plan of reorganization would likely require prior shareholder approval; however, given that the matter is now out of the hands of all stakeholders and before the bankruptcy court, which serves the interests of all stakeholders, the Panel was of the opinion that prior shareholder approval for the issuance of shares pursuant to the plan of reorganization should not be required. The Panel also noted that the Company currently complies with all requirements for continued listing on The Nasdaq SmallCap Market, but for the bid price, and expects to sustain compliance with the maintenance criteria, particularly the shareholders' equity requirement, throughout the restructuring process and thereafter. With respect to the bid price deficiency, the Panel determined that the Company should be granted a 180-day period within which to satisfy the \$1.00 bid price requirement in accordance with Marketplace Rule 4310(c)(8)(D). The Panel also determined that, although the Company has not evidenced a market value of publicly held shares of at least \$1,000,000 for the past 27 consecutive business days, it is not yet deficient with respect to that standard as it has not failed the minimum standard for the requisite 30-day period.

BASED ON THE FORGOING, THE PANEL DETERMINED TO CONTINUE THE LISTING OF THE COMPANY'S SECURITIES ON THE NASDAQ SMALLCAP MARKET PURSUANT TO THE FOLLOWING EXCEPTION:

ON OR BEFORE MAY 28, 2004, THE COMPANY MUST SUBMIT DOCUMENTATION TO NASDAQ EVIDENCING THAT A HEARING BEFORE THE BANKRUPTCY COURT WAS HELD IN CONNECTION WITH THE DISCLOSURE STATEMENT FILED WITH THAT COURT ON APRIL 26, 2004. IN ADDITION, ON OR BEFORE JUNE 30, 2004, THE COMPANY MUST SUBMIT DOCUMENTATION TO NASDAQ EVIDENCING CONFIRMATION OF THE PLAN OF REORGANIZATION BY THE BANKRUPTCY COURT, THE COMPANY'S EMERGENCE FROM BANKRUPTCY AS WELL AS THE COMPANY'S COMPLIANCE WITH ALL REQUIREMENTS FOR CONTINUED LISTING ON THE NASDAQ SMALLCAP MARKET, BUT FOR THOSE DEFICIENCIES FOR WHICH THE COMPANY HAS BEEN GRANTED A "GRACE" PERIOD WITHIN WHICH TO REGAIN COMPLIANCE.

IN ORDER TO FULLY COMPLY WITH THE TERMS OF THIS EXCEPTION, THE COMPANY MUST BE ABLE TO DEMONSTRATE COMPLIANCE WITH ALL REQUIREMENTS FOR CONTINUED LISTING ON THE NASDAQ SMALLCAP MARKET. IN THE EVENT THE COMPANY FAILS TO COMPLY WITH ALL OF THE TERMS OF THIS EXCEPTION, ITS SECURITIES WILL BE DELISTED FROM THE NASDAQ STOCK MARKET. (7)

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(7) The Panel's determination is limited to those findings expressly set forth in this decision, which is based solely upon the facts and circumstances of this matter and should not be interpreted as precedent.

It is a requirement during the exception period that the Company provide prompt notification of any significant events that occur during this time. This includes, but is not limited to, any event that may call into question the Company's historical financial information or that may impact the Company's ability to maintain compliance with any Nasdaq listing requirement. The Panel reserves the right to reconsider the terms of this exception based on any event, condition, or circumstance that exists or develops that would, in the opinion of the Panel, make continued listing of the Company's securities on The Nasdaq Stock Market inadvisable or unwarranted. In addition, any compliance document will be subject to review by the Panel, which may, in its discretion, request additional information before determining that the Company has complied with the terms of the exception.

In addition, all companies operating under exceptions are required to issue a press release announcing the conditional listing on The Nasdaq SmallCap Market and are identified by a fifth character "C" appended to the Company's trading symbol (see sample attached). ACCORDINGLY, EFFECTIVE WITH THE OPEN OF BUSINESS ON MAY 5, 2004, THE TRADING SYMBOL FOR THE COMPANY'S SECURITIES WILL BE CHANGED FROM MNPLQ TO MNPQC. The forth character "Q" will remain appended to the Company's symbol pending the Company's emergence from bankruptcy. The fifth

character "C" will be removed from the symbol upon confirmation of the Company's compliance with the terms of the exception and all other criteria for continued listing.

The Company should be aware that the Nasdaq Listing and Hearing Review Council (the "Listing Council") may, on its own motion, determine to review any Panel decision within 45 calendar days after issuance of the written decision. If the Listing Council determines to review this decision, it may affirm, modify, reverse, dismiss, or remand the decision to the Panel. The Company will be immediately notified in the event the Listing Council determines that this matter will be called for review.

The Company may also request that the Listing Council review this decision. The request for review must be made in writing and received within 15 days from the date of this decision. Requests for review and a copy of the check must be made in writing and faxed to (301) 912-3199, with the original sent to:

Mr. Timothy J. Larkin  
Counsel  
Office of Appeals and Review  
The Nasdaq Stock Market, Inc.  
1801 K Street, NW  
Washington, D.C. 20006

Mr. Larkin can be reached at (202) 912-3021.

Pursuant to Nasdaq Marketplace Rule 4840(b), the Company must submit a fee of \$4,000.00 to The Nasdaq Stock Market, Inc. to cover the cost of the review. The Company should send only its payment with the enclosed Appeal Fee Payment Form to:

Regular Mail(8)

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The Nasdaq Stock Market, Inc.  
P.O. Box 7777-W0435  
Philadelphia, PA 19175-0435

or

Courier/Overnight

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The Nasdaq Stock Market, Inc.  
W0435  
C/O Mellon Bank, Rm 3490  
701 Market Street  
Philadelphia, PA 19106

Please be advised that the institution of a review, whether by way of the Company's request or on the initiative of the Listing Council, will not operate as a stay of this decision.

Should you have any questions, please do not hesitate to contact me at (301) 978-8077.

Sincerely,

(x) Katherine M. Roberson  
Katherine M. Roberson  
Counsel  
Nasdaq Listing Qualifications Hearings

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(8) Please note that the P.O. Box address will not accept courier or overnight deliveries.

Sent via Facsimile and Overnight Commercial Courier

April 20, 2004

Mr. J. Raymond Bilbao  
Senior Vice President, General Counsel and Secretary  
Minorplanet Systems USA, Inc.  
1155 Kas Drive,  
Suite 100  
Richardson, TX 75081

Re: Minorplanet Systems USA, Inc. (System: MNPLQ)  
Nasdaq Listing Qualifications Panel  
Notice of Additional Deficiency, Docket NQ 4553C-04

Dear Mr. Bilbao:

It has come to our attention that Minorplanet Systems USA, Inc. (the "Company") no longer satisfies the minimum bid price requirement set forth in Nasdaq Marketplace Rule 4310(c)(4) (see attached memorandum). Notwithstanding the 180-day afforded by Marketplace Rule 4310(c)(8)(D), this is formal notification that the Nasdaq Listing Qualifications Panel will consider this additional issue in rendering a decision regarding the Company's continued listing on The Nasdaq SmallCap Market. Accordingly, the Company is invited to make a written submission addressing the additional deficiency, but must do so no later than the close of business on TUESDAY, APRIL 27, 2004. In the event the Company fails to address the issue specified, the Panel will consider the record as it currently exists and will make its determination based upon that information.

Should you have any questions regarding this matter, please do not hesitate to contact me at (301) 978-8077.

Sincerely,

(x) Katherine M. Roberson  
Katherine M. Roberson  
Counsel  
Nasdaq Listing Qualifications Hearings

MINORPLANET SYSTEMS, INC.  
HEARINGS MEMORANDUM - ADDITIONAL CONCERN

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TRADING SYMBOL: MNPLQ  
HEARING DATE: MARCH 11, 2004  
NASDAQ ANALYST: MARILYN BACOT  
MEMO PREPARATION DATE: APRIL 20, 2004  
ORIGINAL DEFICIENCY: BANKRUPTCY  
ADDITIONAL DEFICIENCY: BID PRICE  
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ADDITIONAL DEFICIENCY:

For the last 31 consecutive calendar days, the Company's common stock has not maintained a minimum closing bid price of \$1.00 as required for continued inclusion by Marketplace Rule 4310(c)(4). Notwithstanding Marketplace Rule 4310(c)(8)(D), which allows the company 180 days to regain compliance, Staff recommends that the Company address this additional concern.

Sent via Facsimile and Overnight Commercial Courier

May 10, 2004

Mr. J. Raymond Bilbao  
Senior Vice President, General Counsel and Secretary  
Minorplanet Systems USA, Inc.  
1155 Kas Drive,  
Suite 100  
Richardson, TX 75081

Re: Minorplanet Systems USA, Inc. (System: MNPQC)  
Nasdaq Listing Qualifications Hearings  
Notice of Additional Deficiency, Docket NQ 4553C-04

Dear Mr. Bilbao:

It has come to our attention that Minorplanet Systems USA, Inc. (the "Company") no longer satisfies the minimum market value of publicly held shares requirement set forth in Nasdaq Marketplace Rule 4310(c)(7) (see attached memorandum). Notwithstanding the 90-day compliance period contemplated by Marketplace Rule 4310(c)(8)(D), this is formal notification that the Nasdaq Listing Qualifications Panel (the "Panel") will consider this additional issue in rendering a decision regarding the Company's continued listing on The Nasdaq SmallCap Market. Accordingly, the Company is invited to make a written submission addressing the additional deficiency, but must do so no later than the close of business on MONDAY, MAY 17, 2004. In the event the Company fails to address the issue specified, the Panel will consider the record as it currently exists and will make its determination based upon that information.

Should you have any questions regarding this matter, please do not hesitate to contact me at (301) 978-8077.

Sincerely,

(x) Katherine M. Roberson  
Katherine M. Roberson  
Counsel  
Nasdaq Listing Qualifications Hearings

MINORPLANET SYSTEMS, INC.  
HEARINGS MEMORANDUM - ADDITIONAL CONCERN

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TRADING SYMBOL: MNPQC  
HEARING DATE: MARCH 11, 2004  
NASDAQ ANALYST: MARILYN BACOT  
MEMO PREPARATION DATE: MAY 7, 2004  
ORIGINAL DEFICIENCY: BANKRUPTCY AND BID PRICE  
ADDITIONAL DEFICIENCY: MARKET VALUE OF PUBLICLY HELD SHARES

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ADDITIONAL DEFICIENCY:

For the last 31 consecutive trading days, the Company's common stock has not maintained a minimum market value of publicly held shares of \$1,000,000, as required for continued inclusion by Marketplace Rule 4310(c)(7). Notwithstanding Marketplace Rule 4310(c)(8)(B), which allows the Company 90 days to regain compliance, Staff requests that the Company address this additional deficiency.