

INFORMATION FOR CANADIAN SHAREHOLDERS OF MOTOROLA, INC.

February 25, 2005

The following application letter (the “Letter”) together with all Exhibits referenced therein (collectively, the “Application”) was filed by Motorola, Inc., a Delaware corporation (“Motorola”) with the Canada Revenue Agency. The Application seeks to enable Motorola’s eligible Canadian shareholders to elect treatment under section 86.1 of the Canadian Income Tax Act with respect to their receipt of shares of class B common stock of Freescale Semiconductor, Inc., a Delaware corporation (“Freescale”), pursuant to the Distribution (as defined in the Letter). As of the date hereof, the Canada Revenue Agency has not confirmed to Motorola whether the Application satisfies the requirements of section 86.1 of the Canadian Income Tax Act. In the event that Motorola receives notification from the Canada Revenue Agency that the Application satisfies the requirements of section 86.1 of the Canadian Income Tax Act, Motorola will provide an update on its Investor Relations website. As of the date hereof, the Canada Revenue Agency publishes additional information regarding the application of section 86.1 of the Canadian Income Tax Act to Canadian shareholders at the following internet address: <http://www.cra-arc.gc.ca/tax/business/topics/cdnshareholders-e.html>. A copy of the Letter is set forth hereafter for informational purposes only and does not constitute tax advice. **You are advised to consult your own tax advisor as to the specific tax consequences of the Distribution to you.**



January 18, 2005

VIA FEDERAL EXPRESS

Canada Revenue Agency
International Tax Directorate
6th Floor, Canada Place
344 Slater Street
Ottawa ON K1A0L5
Canada

Received I.T.D.

JAN 20 2005

Reçu D.I.I.

Re: Spin-off of Freescale Semiconductor, Inc. by Motorola, Inc.

To Whom It May Concern:

The following information is provided by Motorola, Inc., a corporation incorporated in the State of Delaware, U.S.A. ("Motorola") to enable Motorola's eligible Canadian shareholders to elect treatment under section 86.1 of the Canadian Income Tax Act with respect to their receipt of the dividend of shares of class B common stock of Freescale Semiconductor, Inc., a corporation incorporated in the State of Delaware, U.S.A. ("Freescale"), pursuant to the "Distribution" (as defined and more particularly described below).

Motorola Shares Are Widely Held and Actively Traded on a Prescribed Stock Exchange in the United States. As of December 2, 2004 (the "Distribution Date"), shares of Motorola common stock were publicly traded on the New York, Chicago and Tokyo Stock Exchanges. As of the Distribution Date, Motorola had an authorized capital stock of 4,200,000,000 shares of Motorola common stock ("Motorola Common Stock"), par value \$3 per share, and 500,000 shares of Motorola preferred stock ("Motorola Preferred Stock"), par value \$100 per share. As of the Distribution Date, Motorola had outstanding approximately 2,400,000,000 shares of Motorola Common Stock, held by approximately 90,000 shareholders of record. As of the Distribution Date, none of the Motorola Preferred Stock was outstanding.

Description of the Distribution. On the Distribution Date, Motorola distributed (the "Distribution") outstanding shares of class B common stock of Freescale, to the holders of record of the issued and outstanding Motorola Common Stock as of 5:00 p.m. Eastern time on November 26, 2004 (each a "Motorola Shareholder"). On the Distribution Date, each Motorola Shareholder was entitled to receive 0.110415 of a share of Freescale class B common stock as a dividend on each outstanding share of Motorola Common Stock that such Motorola Shareholder owned as of 5:00 p.m. Eastern time on November 26, 2004. Motorola Shareholders who were entitled to receive less than one share of Freescale class B common stock pursuant to the Distribution received cash in lieu of any fractional shares of Freescale class B common stock. On the Distribution Date, the New York Stock Exchange Only adjusted closing price of Freescale class B common stock in the "when issued" trading market was \$18.69 per share. The

terms and conditions of the Distribution are more particularly described in the Information Statement, dated November 26, 2004, mailed to Motorola Shareholders, a copy of which is attached hereto as Exhibit 1 (the "Information Statement"). The following additional information regarding the Distribution was sent to Motorola Shareholders: (i) a letter dated December 2, 2004, from Peter Lawson, Secretary, Motorola, Inc., a copy of which is attached hereto as Exhibit 2 and (ii) a letter containing certain tax basis information and a form of information statement to be included in Motorola Shareholders' U.S. federal income tax returns, a copy of which is attached hereto as Exhibit 3.

Names and Addresses of Motorola's Canadian Shareholders. Attached hereto as Exhibit 4, is a list of the names and addresses of each resident of Canada (including brokers and other intermediaries) who, to Motorola's knowledge, were entitled to receive shares of Freescale class B common stock pursuant to the Distribution.

Residency of Motorola and Freescale. At no time were any of Motorola, Freescale or any of their respective predecessors incorporated in Canada. Motorola was originally incorporated as the Galvin Manufacturing Corporation on September 25, 1928 in the State of Illinois, U.S.A. Galvin Manufacturing Corporation changed its name to Motorola, Inc. on May 15, 1947. Motorola Delaware, Inc. was incorporated in the State of Delaware, U.S.A. on March 9, 1973. Motorola, Inc. was merged into its wholly-owned subsidiary, Motorola Delaware, Inc., with the latter corporation surviving the merger, on May 18, 1973. Motorola Delaware, Inc. changed its name to Motorola, Inc. on May 18, 1973. Freescale was incorporated in the State of Delaware, U.S.A. on December 3, 2003 as SPS Spinco, Inc. SPS Spinco, Inc. changed its name to Freescale Semiconductor, Inc., on February 13, 2004. Additionally, at no time did any of Motorola, Freescale or any of their respective predecessors maintain a permanent establishment in Canada.


Evidence of Tax-Free Spin-Off. As more particularly described in the Information Statement, Motorola did not apply for a private letter ruling from the U.S. Internal Revenue Service stating that the distribution of Freescale Class B Common Stock to holders of Motorola Common Stock will be tax free for Motorola or the holders of Motorola Common Stock for U.S. federal income tax purposes. As more particularly described in the Information Statement, Motorola received an opinion from outside legal counsel to the effect that the distribution generally will be tax-free for U.S. federal income tax purposes to Motorola and holders of Motorola Common Stock.

Rights Attached to Freescale Shares. As of the Distribution Date, Freescale had an authorized capital stock of: (a) 1,500,000,000 shares of Class A common stock ("Freescale Class A Common Stock"), par value \$.01 per share, each share of which is entitled to one vote per share on all matters to be voted on by shareholders; (b) 1,000,000,000 shares of Class B common stock ("Freescale Class B Common Stock"), par value \$.01 per share, each share of which is entitled to five votes per share on all matters to be voted on by shareholders; and (c) 1,000,000,000 shares of undesignated preferred stock, \$.01 par value. As of the Distribution Date, Freescale had outstanding approximately 130,021,341 shares of Freescale Class A Common Stock, held by two shareholders of record, and approximately 269,978,659 shares of Freescale Class B Common Stock, all of which were held by Motorola. The Freescale Class A Common Stock is publicly traded on the New York Stock Exchange.

As of the Distribution Date, Freescale had a shareholder rights plan in effect. Under the Freescale Preferred Share Purchase Rights Agreement, one preferred share purchase right attaches to each share of Freescale Class A Common Stock (a "Freescale Class A Right") and each share of Freescale Class B Common Stock (a "Freescale Class B Right") (the Freescale Class A Rights and Freescale Class B Rights collectively, the "Freescale Rights"), which entitles a holder of Freescale Class A Common Stock or Freescale Class B Common Stock to buy, under certain circumstances, one one-hundredth of a share of Freescale preferred stock for \$200. The Freescale Rights generally are exercisable only if a person or group acquires or begins a tender or exchange offer for 15 percent or more of Freescale Class A Common Stock or 15 percent or more of all of Freescale Class B Common Stock, or any combination of Freescale Class A Common Stock and Freescale Class B Common Stock representing 15 percent or more of the votes of all shares entitled to vote in the election of directors. Under these circumstances, all holders of Freescale Class A Rights other than the acquiring person, will be entitled to purchase the Freescale Class A Common Stock (or, in certain cases, common stock equivalent shares) at a 50 percent discount and all holders of Freescale Class B Rights other than the acquiring person, will be entitled to purchase the Freescale Class B Common Stock (or, in certain cases, common stock equivalent shares) at a 50 percent discount. Freescale may redeem the Freescale Rights at a price of \$0.01 per Freescale Right. The Freescale Rights will expire on July 21, 2014. The Freescale Preferred Share Purchase Rights Agreement was entered into for bona fide business purposes other than to obtain a tax benefit. Such Freescale Rights did not have any significant value independent of the shares of Freescale Class B Common Stock being distributed pursuant to the Distribution.

If you have any questions regarding the foregoing or require additional information please contact the undersigned at the following mailing address: 1303 E. Algonquin Road, Schaumburg, Illinois, U.S.A. 60196; and telephone number:

Very Truly Yours,



Ray A. Dybala
Senior Vice President
Finance-Tax, Corporate
Motorola, Inc.