

INFORMATION FOR CANADIAN SHAREHOLDERS OF MOTOROLA, INC.

May 18, 2005

Motorola, Inc., a Delaware corporation (“Motorola”) received the following letter (the “CRA Letter”) from the Canada Revenue Agency (“CRA”) in response to Motorola’s application letter (the “Application Letter”) filed 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, pursuant to the Distribution (as defined in the Application Letter, a copy of which is posted elsewhere on Motorola’s Investor Relations website). The following information and a copy of the CRA Letter is set forth hereafter for informational purposes only and does not constitute tax advice. **You are urged to consult your own tax advisor as to the specific tax consequences of the Distribution to you.**

As more particularly described in the Information Statement sent to Motorola shareholders and the Application Letter (copies of which are posted elsewhere on Motorola’s Investor Relations website), Motorola obtained an opinion of counsel regarding the U.S. federal income tax treatment of the Distribution. Motorola did not obtain a Private Letter Ruling from the U.S. Internal Revenue Service (the “IRS”) with respect to matters addressed in the aforementioned opinion of counsel.

As discussed in the CRA Letter, the CRA intends to seek confirmation of the U.S. federal income tax treatment of the Distribution directly from the IRS. Motorola advised the draftsman of the CRA Letter that the IRS has not commenced an audit of Motorola’s U.S. federal income tax return for the taxable year that includes the Distribution and that it could be years before such an audit is completed. If the CRA continues to insist upon obtaining IRS confirmation of the U.S. federal income tax treatment of the Distribution prior to rendering a final decision with respect to the Application Letter, such a final decision might not be rendered for a period of years. In the event that Motorola receives a final decision from the CRA regarding the Application Letter, Motorola will provide an update on its Investor Relations website.



Canada
Revenue Agency

Agence du revenu
du Canada

APR 20 2005

April 15, 2005

APR 20 2005

Ray A. Dybala
Senior Vice President
Finance-Tax, Corporate
Motorola, Inc.
1303 E. Algonquin Road
Schaumburg IL 60196

Dear Sir:

We are replying to your correspondence dated January 18, 2005, in which you submitted certain information with regard to the tax treatment of spin-off dividends received by resident Canadian shareholders resulting from the spin-off of Freescale Semiconductor, Inc. by Motorola, Inc.

As set out in paragraph 86.1(2)(e) of the *Income Tax Act* (Canada), certain information must be provided to the Minister of National Revenue in respect of eligible spin-off distributions.

The legislation requires that the foreign corporation provide the Canada Revenue Agency (CRA) with sufficient information to establish (i) that, at the time of the distribution, the shares of the class that includes the original shares of the corporation are widely held and actively traded on a prescribed stock exchange, (ii) that both the distributing corporation and the spin-off corporation were never residents of Canada, (iii) the date of the distribution, (iv) the type and fair market value of the property distributed to Canadian residents, (v) the name and address of each Canadian resident recipient of the distributed property and (vi) for distributions by corporations resident in the United States, that the distribution was not taxable under the particular *United States Internal Revenue Code* applicable to the distribution.

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The information provided does not meet the requirements of subparagraph 86.1(2)(e)(vi). That is, you have not provided evidence establishing that the distribution is not taxable under the *United States Internal Revenue Code*. Your submission suggested that you did not receive a Private Letter Ruling from the Internal Revenue Service relating to the taxable status of this distribution to shareholders resident in the USA. Therefore, unless you have received such a Private Letter Ruling and forward it to us, we will endeavour to contact them through the Exchange of Information provisions of the Canada-US Income Tax Convention in an effort to get direct confirmation of the tax free status of this distribution.

Once the CRA has received the additional information described above we will be prepared to provide a confirmation with respect to the eligibility of the distribution. If you have any questions, please do not hesitate to contact me at [REDACTED]

Yours truly,



[REDACTED]
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International Tax Division
Quebec Taxation Services Office
Canada Revenue Agency
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