

IN THE MATTER OF THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, MANITOBA, ONTARIO, QUEBEC,
NEWFOUNDLAND, NOVA SCOTIA AND SASKATCHEWAN

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF
CELESTICA INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker" or, collectively, the "Decision Makers") in each of British Columbia, Alberta, Manitoba, Ontario, Quebec, Newfoundland, Nova Scotia and Saskatchewan (the "Jurisdictions") has received an application from Celestica Inc. (the "Company") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the requirement in the Legislation to file insider reports shall not apply to: (i) directors and senior officers of certain subsidiaries of the Company; and (ii) directors and senior officers of the Company or any of its subsidiaries with respect to their acquisition of subordinate voting shares of the Company pursuant to the Company's Employee Share Ownership Plan (the "Plan");

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System") the Ontario Securities Commission (the "Commission") is the principal regulator for this application;

AND WHEREAS the Company has represented to the Decision Makers that:

1. The Company is a corporation incorporated under the *Business Corporations Act* (Ontario). The head office of the Company is located in Toronto, Ontario. The Company is a leading provider of electronics manufacturing services ("EMS") to original equipment manufacturers worldwide.
2. The authorized capital of the Company consists of an unlimited number of subordinate voting shares and an unlimited number of multiple voting shares, of which 163,826,962 subordinate voting shares and 39,065,950 multiple voting shares were outstanding as at July 6, 2000.
3. The subordinate voting shares of the Company are listed and posted for trading on The Toronto Stock Exchange and the New York Stock Exchange.

4. The Company is a reporting issuer (or equivalent) in each of the Provinces and Territories of Canada. The Company is not on the list of defaulting reporting issuers maintained pursuant to the Legislation.

5. The list of companies in the attached appendix ("Appendix A") includes all subsidiaries ("Major Subsidiaries") of the Company that have, as reflected in the most recent annual audited financial statements of the Company filed with the Decision Makers in the Jurisdictions, either: (i) assets, on a consolidated basis with its subsidiaries, which represent 10 percent or more of the consolidated assets of the Company shown on the balance sheet, or (ii) revenues, on a consolidated basis with its subsidiaries, which represent 10 percent or more of the consolidated revenues of the Company shown on the statement of income and loss.

6. All of the directors and senior officers of the Major Subsidiaries receive, in the ordinary course, knowledge of material facts or material changes with respect to the Company prior to general disclosure of such material facts or material changes.

7. With the exception of the directors and senior officers referred to in paragraph 6, none of the directors and senior officers of any of the subsidiaries of the Company either: (i) participate in the day to day management or operation of the Company, or (ii) receive or have access to, in the ordinary course, information respecting material facts or material changes with respect to the Company prior to general disclosure of such material facts or material changes.

8. The Company undertakes: (i) to maintain a list of directors and senior officers exempted by this Decision (as hereafter defined) and the basis upon which each of the directors and senior officers comes within the terms of the Decision; (ii) to maintain a continuing review of the facts contained in the representations upon which this Decision is made; and (iii) upon the request of any of the Decision Makers or their staff, to provide any information necessary to determine whether a director or senior officer of any subsidiary of the Company is or is not exempted by this Decision.

9. The Company undertakes to promptly advise the Commission des valeurs mobilières du Québec (the "Québec Commission") of the name of every director and senior officer who becomes, or ceases to be, exempted by this Decision, and to provide an updated list of directors and senior officers to the Québec Commission annually.

10. The Plan was adopted effective as of July 1, 1998 to enable the Company's directors and employees to acquire subordinate voting shares of the Company in a convenient systematic manner in order to encourage continued employee participation in the Company's operation, growth and development.

11. The Plan is an automatic securities purchase plan designated by the Company to facilitate the acquisition by directors and employees of the Company, and by employees of subsidiaries of the Company and certain designated affiliates, of previously issued subordinate voting shares whereby the number of the subordinate voting shares acquired by each director and employee participating under the Plan (each, a "Plan Participant"), the timing of acquisitions of the subordinate voting shares and the price paid for such subordinate voting shares are established by

a procedure set out in the Plan, and acquisitions of the subordinate voting shares pursuant to the Plan are made by a trustee on the open market without any direction from a Plan Participant.

12. The Plan permits all Plan Participants, including senior officers and the directors of the Company, to contribute a whole percentage of their regular pay, up to a maximum of 10%, to the Plan. The Company provides a partial matching contribution equal to 25% of the participant's contribution, up to a maximum of 1% of regular pay.

13. The Plan also permits Plan Participants who are directors to designate all or a portion of any of their cash retainer fees, meeting fees, and committee or other similar fees as a participant contribution under the Plan (the "Lump Sum Option").

14. The Company has appointed Royal Trust Company (the "Administrator") as the administrator under the Plan. The Administrator receives contributions, purchases subordinate voting shares of the Company on the open market after the end of each payroll period and holds such shares as agent for and on behalf of Plan Participants.

15. The time to process a change on behalf of a Plan Participant, which includes commencing, varying or ceasing participation in the Plan, is at least seven days from the date a change is requested by the Plan Participant.

16. The number of subordinate voting shares that may be acquired under the Plan is and will be *de minimis* in relation to the number of subordinate voting shares that are issued and outstanding at the time of acquisition under the Plan.

AND WHEREAS pursuant to the System, this Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the Jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers pursuant to the Legislation is that:

A. any person who is subject to the insider reporting requirements of the Legislation due to the fact that he or she is a director or senior officer of a subsidiary of the Company, other than a Major Subsidiary listed in Appendix A, is exempt from the insider reporting requirements with respect to his or her ownership of or control or direction over securities of the Company, provided that the exemption contained in this Decision Document shall not apply to a person who:

(a) in the ordinary course receives notice of or information as to material facts or material changes with respect to the Company prior to general disclosure to the public of such facts or changes;

(b) becomes a director or senior officer of the Company or a Major Subsidiary as listed in Appendix A, or any company which, after the date hereof, becomes a Major Subsidiary;

(c) is also an insider of the Company in a capacity other than as a director or senior officer of a subsidiary of the Company; or

(d) is denied the exemptions contained in this Decision Document by another decision of the Decision Makers or any one of them; and

B. the requirement contained in the Legislation to file insider reports in connection with the acquisition of subordinate voting shares of the Company pursuant to the Plan shall not apply to any person who is subject to the insider reporting requirements due to the fact that he or she is a director or senior officer of the Company or of any subsidiary of the Company, including a Major Subsidiary, provided that, in each case:

(a) each director or senior officer who participates in the Plan (a "Participating Insider") files with the Decision Maker in each Jurisdiction, by the last day of March of each year, a report (a "Yearly Report") in the form required to be filed by the Legislation disclosing any change or changes in his or her direct or indirect beneficial ownership of or control or direction over subordinate voting shares of the Company resulting from his or her participation in the Plan during the 12-month period ending the preceding December 31 (the "Reporting Period") which were not previously reported in the holdings of the Participating Insider;

(b) if in any month during a Reporting Period there are one or more changes (other than an acquisition of beneficial ownership that arises solely as a result of the automatic operation of the Plan), including but not limited to the acquisition of subordinate voting shares of the Company pursuant to the Lump Sum Option, in the Participating Insider's direct or indirect beneficial ownership of or control or direction over subordinate voting shares of the Company, the Participating Insider shall file a report in accordance with the insider reporting requirements of the Legislation disclosing the acquisition, disposition or transfer of subordinate voting shares of the Company;

(c) if a Plan Participant becomes subject to the insider reporting requirements due to the fact that he or she becomes a director or senior officer of the Company or of any subsidiary of the Company, including a Major Subsidiary, during a Reporting Period, then for the purposes of the first Yearly Report contemplated by paragraph (a) above, the "Reporting Period" for that Plan Participant shall be calculated as the period of time commencing on the date the Plan Participant became a Participating Insider of the Company through to December 31 of that year;

(d) if, at any time during a Reporting Period other than at the commencement of such period, a Participating Insider determines to adopt the use of a Yearly Report

to report changes in direct or indirect beneficial ownership of or control or direction over subordinate voting shares of the Company pursuant to the Plan, then for the purposes of the first Yearly Report contemplated by paragraph (a) above, the "Reporting Period" for that Participating Insider shall be calculated as the period of time commencing on the date on which such determination is made through to December 31 of that year;

(e) in all Jurisdictions except Quebec, the Participating Insider does not beneficially own, directly or indirectly, or exercise control or direction over voting securities of the Company, or a combination of both, that carry more than 10 percent of the voting rights attaching to all outstanding securities of the Company; and

(f) in Quebec, the Participating Insider does not exercise control over more than 10 percent of a class of shares of the Company to which are attached voting rights or an unlimited right to a share of the profits of the Company and in its assets in case of winding-up.

DATED at Toronto this 8th day of September, 2000.

Margo Paul
Manager, Corporate Finance