

April 8, 2013

Headnote

National Policy 11-203 *Process for Exemptive Relief Application in Multiple Jurisdictions – Securities Act*, s.88 – Cease to be a reporting issuer - The securities of the issuer are beneficially owned by not more than 50 persons and are not traded through any exchange or market - The issuer falls within the definition of “closely held reporting issuer” contained in BC Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* as the securities of the issuer are beneficially owned by not more than 50 persons and are not traded through any exchange or market

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 88

In the Matter of
the Securities Legislation of
Ontario, Alberta, British Columbia, Saskatchewan, Manitoba, New Brunswick, Nova Scotia,
Newfoundland And Labrador, Prince Edward Island and Quebec
(the Jurisdictions)

and

In the Matter of
the Process for Exemptive Relief Applications in Multiple Jurisdictions

and

In the Matter of
SMTC Manufacturing Corporation of Canada
(the Filer)

Decision

Background

¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (the Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Filer is not a reporting issuer (the “Exemptive Relief Sought”).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a coordinated review application):

- (a) the Ontario Securities Commission is the principal regulator for this application; and

(b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

¶ 2 Terms defined in National Instrument 14-101 *Definitions* have the same meaning if used in this decision, unless otherwise defined.

Representations

¶ 3 This decision is based on the following facts represented by the Filer:

1. the Filer is a corporation existing under the laws of the Province of Ontario;
2. the registered and head office address of the Filer is 635 Hood Road, Markham, Ontario L3R 4N6;
3. the Filer is a reporting issuer in all the provinces of Canada;
4. as at February 28, 2013, the Filer has the following securities issued and outstanding: nil exchangeable shares (the Exchangeable Shares), 9,477,847 Common Shares (the Common Shares), 6,331,517 Class C Preferred Shares (the Class C Shares) and 23,092.4669 Class Y Shares (the Class Y Shares); the Common Shares, the Class C Preferred Shares and the Class Y Shares are all held by SMTC Nova Scotia Company;
5. the outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the jurisdictions in Canada and fewer than 51 security holders in total worldwide;
6. it is impractical, inefficient and costly for the Filer to remain a reporting issuer with only one shareholder;
7. no securities of the Filer are trading on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* (NI 21-101); the Exchangeable Shares were previously listed on the Toronto Stock Exchange (the TSX) prior to being voluntarily delisted from the TSX at the close of business on June 1, 2012;
8. the Filer has no current intention to seek public financing by way of an offering of securities;
9. the Filer is applying for relief to cease to be a reporting issuer in all jurisdictions of Canada in which it is currently a reporting issuer;
10. the Filer is not in default of any requirement of the securities legislation in any of the jurisdictions in Canada;

11. the Filer did not surrender its status as a reporting issuer in British Columbia pursuant to BC Instrument 11-502 Voluntary Surrender of Reporting Issuer Status (the "BC Instrument") in order to avoid the ten day waiting period under the BC Instrument;
12. as the Filer is a reporting issuer in British Columbia, the Filer is not eligible to file under the simplified procedure in CSA Staff Notice 12-307 Applications For A Decision That An Issuer Is Not A Reporting Issuer ("CSA Notice 12-307") in order to apply for the Exemptive Relief Sought;
13. the Filer, upon the grant of the Exemptive Relief Sought, will no longer be a reporting issuer in any jurisdiction in Canada.

Decision

- ¶ 4 Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Exemptive Relief Sought is granted.

"Shannon O'Hearn"

Manager, Corporate Finance
Ontario Securities Commission