

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

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<i>In re</i>	:	Chapter 11
	:	
Nortel Networks Inc., <i>et al.</i> , ¹	:	Case No. 09-10138 (KG)
	:	
Debtors.	:	Jointly Administered
	:	
	:	RE: D.I.s 1056, 10566, 11437, and 12371
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**ORDER AMENDING LITIGATION SCHEDULE IN
JOINT CROSS-BORDER PROCEEDINGS TO DETERMINE
ALLOCATION OF ASSET SALE PROCEEDS AND CERTAIN CLAIMS**

Upon the motion (the "Motion"),² Nortel Networks, Inc. ("NNI") and certain of its affiliates, as debtors and debtors in possession (collectively, the "U.S. Debtors"), the Official Committee of Unsecured Creditors (the "Committee"), appointed in the above-captioned cases, the court-appointed monitor (the "Monitor") and authorized foreign representative of Nortel Networks Corporation and certain of its direct and indirect subsidiaries, Nortel Networks Limited, Nortel Networks Technology Corporation, Nortel Networks Global Corporation, and Nortel Networks International Corporation (the "Canadian Debtors"), the Canadian Debtors, the Canadian Creditors' Committee ("CCC", as defined in the Allocation Protocol), the court-appointed administrators and authorized foreign representatives (collectively, the "Joint

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's tax identification number, are: Nortel Networks Inc. (6332), Nortel Networks Capital Corporation (9620), Nortel Altsystems Inc. (9769), Nortel Altsystems International Inc. (5596), Xros, Inc. (4181), Sonoma Systems (2073), Qtera Corporation (0251), CoreTek, Inc. (5722), Nortel Networks Applications Management Solutions Inc. (2846), Nortel Networks Optical Components Inc. (3545), Nortel Networks HPOCS Inc. (3546), Architel Systems (U.S.) Corporation (3826), Nortel Networks International Inc. (0358), Northern Telecom International Inc. (6286) Nortel Networks Cable Solutions Inc. (0567) and Nortel Networks (CALA) Inc. (4226). Contact information for the Debtors and their petitions are available at <http://dm.epiq11.com/nortel>.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

Administrators”) for Nortel Networks UK Limited (“NNUK”) and certain of its affiliates located in Europe, the Middle East and Africa (collectively, the “EMEA Debtors”) and Nortel Networks UK Pension Trust (the “Trustee”) and the Board of the Pension Protection Fund (the “PPF” and, together with the Trustee, the “U.K. Pension Claimants”) (collectively, the “Movants”), for entry of an order, as more fully described in the Motion, to amend the schedule set forth in the Allocation Protocol [D.I. 10565], and Discovery Plan [D.I. 10566] entered by the Court on May 17, 2013, and amended on August 26, 2013 [D.I. 11437]; and adequate notice of the Motion having been given as set forth in the Motion; and it appearing that no other or further notice is necessary; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having determined that consideration of the Motion is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief requested in the Motion, as amended by the oral ruling of the Court at a joint hearing on November 19, 2013 with respect to the dates for a preliminary pre-trial conference, a pre-trial conference and commencement of the Trial, and that such relief is in the best interests of the Debtors, their estates, their creditors and the parties in interest; and upon the record in these proceedings; and after due deliberation;

IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED**, with amendments to the dates for a preliminary pre-trial conference, a pre-trial conference and commencement of the Trial in accordance with the oral ruling of the Court on November 19, 2013, and the Allocation Protocol, Deposition Protocol, Litigation Timetable, and Discovery Plan are modified as set forth on Schedule A.

2. The *Objection of Ad Hoc Group of Bondholders to Joint Motion of the U.S. Interests, Monitor, Canadian Debtors, CCC, Joint Administrators and U.K. Pension Claimants to Amend Litigation Schedule in Joint Cross-Border Proceedings to Determine Allocation of Asset Sale Proceeds and Certain Claims* [D.I. 12408] filed by the Ad Hoc Group of Bondholders on November 18, 2013 is overruled.

3. All of the dates and provisions set forth in the Allocation Protocol, Deposition Protocol, Litigation Timetable, and Discovery Plan shall remain in full force and effect except to the extent expressly modified by the terms of this Order, and as set forth on Schedule A.

4. The Amendment Terms attached hereto as Schedule A is approved.

5. The parties shall be permitted to adjust interim deadlines in the time table in accordance with the following procedures:

- a. The Movants shall meet and confer to determine whether further adjustments to the time table should be made and may upon unanimous consent (subject to sub-paragraph (c) below), without further Order of the Court(s), propose amendments to the timetable provided that such dates shall not impact the Court ordered commencement date of the Trial;
- b. Any objections by Core Parties to any proposed amendments shall be made within two (2) Business Days of such proposal being made to them in writing; and
- c. All objections shall be resolved through a meet and confer among all of the Movants and the objector(s) within two (2) Business Days, failing which, the objector must seek relief from the Court(s) within two (2) Business Days thereafter (by letter). Absent relief from the court(s), any changes to the time table proposed by the Movants shall be effective.

6. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: NOVEMBER 27, 2013
Wilmington, Delaware



THE HONORABLE KEVIN GROSS
CHIEF UNITED STATES BANKRUPTCY JUDGE

SCHEDULE "A" –AMENDMENT TERMS

Capitalized terms used herein and not otherwise defined have the meaning given to them in (i) the allocation procedure protocol approved by the Ontario Superior Court of Justice and the United States Bankruptcy Court for the District of Delaware (the "**Courts**") in Orders dated on or about April 3, 2013 and May 16, 2013, respectively (as amended and restated, the "**Allocation Protocol**"), (ii) the litigation timetable and discovery plan approved by the Courts in Orders dated on or about May 16, 2013 and as amended by Orders of the Courts dated on or about August 27, 2013 (as amended, the "**Litigation Timetable and Discovery Plan**"), and (iii) the Deposition Protocol as approved by the Courts in Orders dated on or about August 27, 2013 and as amended by Orders dated on or about September 20, 2013 and September 25, 2013 (as amended, the "**Deposition Protocol**") as applicable.

1. The Allocation Protocol, Litigation Timetable and Discovery Plan and the Deposition Protocol are modified as follows:

Deadline	Former Date	Revised Date
Deadline to complete witness depositions other than third party depositions (i.e., those other than current or former employees or directors of a Core Party) and Representative Witness depositions	December 13, 2013	December 13, 2013 ¹
Deadline for each Deposition Group to serve Representative Witness subjects in accordance with paragraph G(1)(a) of the Deposition Protocol	10 business days prior to the commencement of Representative Witness depositions	5pm (EST) December 13, 2013 other than with respect to topics relating to NNSA which shall be delivered no later than 5pm (EST) on December 17, 2013
Identification of Representative Witnesses by each Core Party required to produce a Representative Witness	5 business days prior to the commencement of Representative Witness	5pm (EST) on December 18, 2013

¹ The parties shall be permitted to extend this date to December 18, 2013 with unanimous approval of the Scheduling Committee to the extent irreconcilable conflicts prevent a witness from being scheduled by December 13, 2013 provided however, except for good cause shown, that such extension shall not impact any other deadlines or dates in the timetable including the deadlines for noticing with respect to topics for and the scheduling of Representative Witness Depositions.

Deadline	Former Date	Revised Date
	depositions	
Deadline for objections to Representative Witness subjects in accordance with paragraph G(1)(a) of the Deposition Protocol	Three business days after service of the subjects	5pm (EST) on December 18, 2013
Meet and confer of the Scheduling Committee to schedule Representative Witness Depositions	NA	December 19, 2013 and/or December 20, 2013
Meet and confer regarding any objections on Representative Witness deposition subjects in accordance with paragraph G(1)(a) of the Deposition Protocol	Within two business days of service of the objections	December 20, 2013
Deadline to identify experts and the subject matter of their reports	November 27, 2013	January 8, 2014
Representative Witness depositions	December 13, 2013	January 8, 2014 to January 17, 2014
Deadline for service of expert reports	December 20, 2013	January 24, 2014
Meet and confer to discuss foreign law experts	NA	No later than January 31, 2014
Deadline for Discovery Groups to provide list of available dates of their experts to the Scheduling Committee	NA	5pm (EST) on January 31, 2014
Deadline to complete third party depositions	Due date of rebuttal expert reports	February 28, 2014 (solely for witnesses for whom process was started by Sept. 30, 2013 and except for good cause shown as per the current order)
Deadline for service of rebuttal expert reports	January 24, 2014	February 28, 2014

Deadline	Former Date	Revised Date
Preliminary pre-trial conference	Week of February 17, 2014	January 29, 2014
Expert depositions	February 28, 2014	March 17, 2014 to April 4, 2014
Deadline to file a list of all witnesses and exhibits that each Core Party intends to rely upon as part of its direct case	March 6, 2014	April 10, 2014
Deadline to file: <ul style="list-style-type: none"> • Pre-trial motions • Pre-trial briefs • All fact affidavits to be used in direct case • All exhibits to be used in direct case • All deposition testimony to be used in direct case 	March 14, 2014	April 17, 2014 for service with filing on the following business day
Pre-trial conference	Week of March 17, 2014 (if the Courts desire)	Between April 21 and April 28, 2014
Beginning of Trial	April 1, 2014	Beginning on May 12, 2014 and continuing for 19 trial days thereafter

2. **Fact Witness Depositions**

a. Third Party Witnesses.

- i. Notwithstanding any prior orders, absent good cause shown to the Court(s), no Core Parties shall provide any further notices to third parties for production of documents and/or depositions (other than those currently disclosed to the Scheduling Committee).

- ii. Provided that appropriate judicial process to compel the production of documents or testimony from third parties was issued or commenced on or before September 30, 2013, or currently disclosed to the Scheduling Committee, the production of documents from such third parties and/or the depositions of such third party witnesses may be completed after the deadline for fact witness depositions, but must be completed by no later than February 28, 2014, except for good cause shown and by agreement of the Core Parties or order(s) of the Court(s).

3. **Representative Witness Examinations.**

- a. The Deposition Protocol is hereby amended as follows:

- i. The second sentence of paragraph G(1)(a) is amended as follows:

“At least ten business days before the commencement of Representative Depositions” is hereby deleted and replaced with the words “On or before 5pm (EST) on December 13, 2013 (other than with respect to NNSA for which the deadline shall be December 17, 2013)”

- ii. The fourth sentence of paragraph G(1)(a) is amended as follows:

“objections shall be served within three business days” is hereby deleted and replaced with the words “objections shall be served no later than 5pm (EST) on December 18, 2013”

- iii. The fifth sentence of paragraph G(1)(a) is amended as follows:

“applicable parties shall meet and confer in good faith ~~within two business days thereafter~~ on or about December 20, 2013 and, failing agreement, the burden shall be on the noticing party to obtain judicial relief at least two business days (in order to enable preparation) prior to the Representative Deposition”

- b. On or before 5pm (EST) December 18, 2013, each Core Party that is required to

produce a Representative Witness under the Deposition Protocol shall identify their Representative Witness(es) and provide the Scheduling Committee with a list of all available deposition dates of their Representative Witness(es) for the period January 8, 2014 to January 17, 2014.

- c. Representative Witness examinations will take place in accordance with the Deposition Protocol and will be scheduled between January 8, 2014 and January 17, 2014 to take place in New York or Toronto.
- d. Each Core Party that is required to produce a Representative Witness under the Deposition Protocol will ensure that its Representative Witness can be produced on several pairs of days for the period January 8, 2014 to January 17, 2014.
- e. The Deposition Groups will meet and confer during the week of December 16, 2013 to attempt to resolve any remaining disputes with respect to the Representative Witness depositions.

4. **Expert Witness Examinations.**

- a. Expert witness examinations will take place between March 17, 2014 and April 4, 2014 in New York and Toronto.
- b. Each Discovery Group will ensure that their expert witnesses can be produced for examination in either New York or Toronto on several days between March 17, 2014 and April 4, 2014 and, unless excused by the Scheduling Committee or the Courts, at a minimum
 - i. each expert shall be required to offer at least 5 days on which they are available for deposition,
 - ii. the deposition dates offered by the experts must be spread over at least two of the weeks; and
 - iii. each Discovery Group must offer enough availability so that its experts' depositions can be scheduled equally over the three weeks of expert

depositions.

- c. On or before 5pm (EST) January 31, 2014, each Discovery Group shall provide the Scheduling Committee with all available deposition dates of their experts for the period March 17, 2014 to April 4, 2014.
- d. The Core Parties shall meet and confer no later than January 31, 2014 to attempt to reach agreement on the necessity of the examination of foreign law experts for deposition and trial.

5. **Trial Logistics**

- a. The Core Parties shall meet and confer as soon as possible (but in any event no later than the week of December 16, 2013) with a view to attempting to reach consensus with respect to a proposal for the conduct of the trial, including the
 - i. material to be served/filed on April 10, 2014 and April 17, 2014;
 - ii. the feasibility of providing the Courts with a statement of agreed facts; and
 - iii. proposed length of the trial.
- b. On or before January 20, 2014, the US Debtors, Canadian Debtors/Monitor, the EMEA Debtors and the UK Pension Claimants shall submit (either jointly or separately) their proposals for the conduct of the trial to the Courts. Other Core Parties shall be entitled to file their own proposal on or before January 20, 2014 or, alternatively, they may file a joinder to indicate support of one or more of the proposals on or before January 27, 2014.

6. **Miscellaneous**

- a. Other than as expressly modified herein, all other terms, dates, provisions in the Allocation Protocol, Litigation Timetable, Discovery Plan and all amendments thereto remain in full force and effect.