

HEALTH AND WELFARE TRUST
NOTICE OF DECLARED DISTRIBUTION
DATED DECEMBER 2, 2013

The Ontario Superior Court of Justice has approved an HWT distribution to Participating Beneficiaries that brings the total distribution* to 38% of Participating Benefits.

For all Participating Benefits, other than Pensioner Life, the current distribution is 3%.

For Pensioner Life:

1. The current distribution to LTD Beneficiaries is 18%, subject to individual adjustments for methodology and any data corrections.
2. The current distribution to Pensioners is 11.2%, bringing their total distribution from the HWT to 31.2%. This percentage reflects the reduction for 2010 premiums paid to continue Pensioner Life coverage in 2010, and is subject to individual adjustments for methodology and any data corrections. This reduction for premiums does not apply to LTD Beneficiaries.

Distributions to LTD Beneficiaries, SIB Beneficiaries and STB Beneficiaries will be made on December 6, 2013. The date for distributions on account of Pensioner Life to Pensioners will be posted in 2014 on the Monitor's website www.ey.com/ca/Nortel in the Health and Welfare Trust section.

The Order of the Ontario Superior Court of Justice dated the 19th day of November, 2013 can be found at www.ey.com/ca/Nortel

*Prior distributions totaled 35% of all Participating Benefits other than Pensioner Life. The previous distribution for Pensioner Life was 20% of Pensioner Life based on Compensation Claims Methodology.