

**ONTARIO
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST**

THE HONOURABLE MR.)	THURSDAY, THE 6TH
)	
JUSTICE MORAWETZ)	DAY OF OCTOBER, 2011

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
NORTEL NETWORKS CORPORATION, NORTEL NETWORKS LIMITED,
NORTEL NETWORKS GLOBAL CORPORATION, NORTEL NETWORKS
INTERNATIONAL CORPORATION AND NORTEL NETWORKS
TECHNOLOGY CORPORATION (the "**Applicants**")

APPLICATION UNDER THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

COMPENSATION CLAIMS PROCEDURE ORDER

THIS MOTION, made by the Applicants for an Order substantially in the form included in the Applicants' Motion Record, was heard this day at 361 University Avenue, Toronto, Ontario.

ON READING the Applicants' Notice of Motion, the affidavit of John Doolittle sworn on September 19, 2011, the Seventy-Fifth Report of the Monitor dated September 19, 2011, the Supplement to the Seventy-Fifth Report of the Monitor dated October 4, 2011, the affidavit of Susan Kennedy sworn September 21, 2011, the affidavit of Donald Sproule sworn September 21, 2011, the affidavit of Michael A. Campbell sworn September 20, 2011, the affidavit of Gus Tertigas sworn September 20, 2011, the affidavit of Thomas D. Levy sworn September 20, 2011, the affidavit of Alanna Mihalj sworn September 28, 2011, the affidavit of Kent Felske sworn September 27, 2011, the affidavit of Leigh Norton sworn September 27, the affidavit of Dany

Sylvain sworn September 29, 2011, the affidavit of Clio M. Godkewitsch sworn October 3, 2011, the affidavit of Andrea Yau sworn October 4, 2011, and the affidavit of Josée Marin sworn October 5, 2011, and on hearing the submissions of counsel for the Applicants, the Monitor, LTD Beneficiaries' Representative Counsel, Former Employees' Representative Counsel, CAW Counsel, the Continuing Employees' Representative Counsel, counsel for the U.S. Debtors, counsel for the Bondholder Group, the Committee and the Board of Directors of Nortel Networks Corporation and Nortel Networks Limited, and on the consent of the LTD Beneficiaries' Representative, LTD Beneficiaries' Representative Counsel, Former Employees' Representatives, Former Employees' Representative Counsel, Continuing Employees' Representatives, Continuing Employees' Representative Counsel, the CAW and CAW Counsel, no one appearing for the other parties served with the Applicants' Motion Record, although duly served as appears from the affidavits of service of Darlene Moffett and Caterina Costa sworn September 20, 2011 and September 21, 2011, respectively, filed.

ON BEING ADVISED that certain claims were each excluded from the operation of the Claims Procedure Order, and that the Applicants now wish to establish a claims process with respect to such claims.

Service

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record filed by the Applicants in support of this Motion be and it is hereby abridged and validated such that the Motion is properly returnable today.

Scope of this Order

2. THIS COURT ORDERS that except as otherwise specifically set out herein, this Order shall apply only to Claims as defined in this Order.

PART I -- DEFINITIONS

3. The following terms shall have the following meanings ascribed thereto, and the plural or singular of any such term shall have the corresponding meaning:
 - (a) “**Active Canadian Service Employees**” means individuals who as of Year End 2010 were employed by a Nortel entity that is not an Applicant but who were at some point employed by an Applicant;
 - (b) “**Active Employee**” means an Employee who was employed by an Applicant as of Year End 2010;
 - (c) “**Active Precision Employees**” means individuals who (i) were employed by an Applicant immediately prior to the Precision Transaction, (ii) were Unionized Employees, (iii) were transferred to Precision as part of the Precision Transaction, (iv) are identified by Former Employees’ Representative Counsel as continuing employment with Precision as of the date of the Compensation Claims Procedure Order, as updated from time to time, and (v) have a Benefit Claim under the RAP in accordance with the terms of the Precision Transaction according to the books and records of the Applicants;
 - (d) “**Applicable Proof of Claim Bar Date**” means the Proof of Claim Rolling Bar Date or the Proof of Claim Bar Date, as applicable;

- (e) “**Bar Date**” means the Proof of Claim Rolling Bar Date, the Proof of Claim Bar Date, the Request for Correction Bar Date or the Request for Correction Rolling Bar Date, as applicable;
- (f) “**Benefit Claims**” means the claims of Employees under the Non-Registered Pension Plans and claims for Non-Pension Benefits calculated in accordance with the Compensation Claims Methodology and to be set out in an Information Statement;
- (g) “**Business Day**” means a day, other than a Saturday or a Sunday, on which banks are generally open for business in Toronto, Ontario;
- (h) “**CAW**” means National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada) and its Locals 27, 1525, 1530, 1837, 1839, 1905 and/or 1915 and George Borosh et al.
- (i) “**CAW Counsel**” means Barry E. Wadsworth and Lewis Gottheil, counsel to the CAW;
- (j) “**CCAA**” means *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;
- (k) “**Claim**” means each of the following claims against any Applicant or any Director or Officer:
 - (i) Compensation Claims;

- (ii) claims of an Employee arising from the administration, management or oversight of any of the pension plans or employee benefit plans administered or sponsored by the Applicants or their subsidiaries that is not included in Form A (Your Compensation Claim Amount) of the Information Statement;
 - (iii) claims of any Director for compensation for acting as a director, including, without limitation in respect of fees, deferred share-based compensation, benefits and Director expenses;
 - (iv) Grievance Claims;
 - (v) Indemnification Claims; and
 - (vi) any other Employee claims for amounts owing to him or her in his or her capacity as an Employee;
-
- (l) **“Claims Officer”** means the person or persons so designated by the Monitor and approved by the Court, or designated by the Court, as the case may be;
 - (m) **“Claims Packages”** means the applicable Information Statement Package and the Proof of Claim Document Package sent by the Monitor;
 - (n) **“Claims Procedure Order”** means the Amended and Restated Claims Procedure Order dated July 30, 2009 made in these proceedings, as such Claims Procedure Order may be further amended from time to time;

- (o) **“Claims Resolution Order”** means the Claims Resolution Order dated September 16, 2010 made in these proceedings, as such Claims Resolution Order may be amended from time to time;
- (p) **“Compensation Claims”** means the Benefit Claims, Termination and Severance Pay Claims or Patent Award Claims calculated pursuant to the Compensation Claims Methodology;
- (q) **“Compensation Claims Methodology”** means the assumptions and methodologies approved by the Court in the Compensation Claims Methodology Order with respect to the calculation of Compensation Claims;
- (r) **“Compensation Claims Methodology Order”** means the Order bearing such title, made by the Court on the date of this Order;
- (s) **“Compensation Creditor”** means any Person asserting a Claim;
- (t) **“Continuing Employees’ Representative Counsel”** means Nelligan O'Brien Payne LLP and Shibley Righton LLP, as appointed by the Court on July 22, 2009;
- (u) **“Court”** means the Ontario Superior Court of Justice (Commercial List);
- (v) **“CPO Claims”** means Claims as defined in the Claims Procedure Order and filed pursuant to that Claims Procedure Order;
- (w) **“Creditors’ Meeting”** means the meeting or meetings of Compensation Creditors (and other creditors) scheduled pursuant to further Order of this Court, or by any Plan when and as filed with this Court;

- (x) **“Cross-Border Claims Protocol”** means the Cross-Border Claims Protocol approved by this Court pursuant to the Order Approving Cross-Border Claims Protocol dated September 16, 2010, as such Cross-Border Claims Protocol may be amended from time to time;
- (y) **“Cross-Border Protocol”** means the Cross-Border Protocol approved by this Court pursuant to the Initial Order, as such Cross-Border Protocol may be amended from time to time;
- (z) **“Director”** means any current or former director of the Applicants or any of them;
- (aa) **“Dispute Notice”** means a Dispute Notice (Personal Information) or a Dispute Notice (Proof of Claim), as the case may be;
- (bb) **“Dispute Notice (Personal Information)”** means a written notice to the Monitor, in substantially the form attached as Schedule “F” hereto, delivered to the Monitor by a Compensation Creditor that has received a Notice of Disallowance (Personal Information) or a Monitor Corrected Information Statement, as applicable, notifying of its intention to dispute such Notice of Disallowance (Personal Information) or such Monitor Corrected Information Statement, as applicable;
- (cc) **“Dispute Notice (Proof of Claim)”** means a written notice to the Monitor, in substantially the form attached as Schedule “G” hereto, delivered to the Monitor by a Compensation Creditor that has received a Notice of Disallowance (Proof of

Claim), notifying of its intention to dispute such Notice of Disallowance (Proof of Claim);

- (dd) “**Duplicate Claim**” means a Claim that is asserted against an Applicant or an Officer or Director that duplicates in whole or in part another Claim or CPO Claim, and includes a Claim or any portion thereof that is based on an obligation or legal right asserted in another Claim or CPO Claim;
- (ee) “**Employees**” means the Applicants’ employees, former employees, pensioners and their survivors, including LTD Beneficiaries;
- (ff) “**Filing Date**” means January 14, 2009, the date of the Initial Order;
- (gg) “**Former Employees’ Representative Counsel**” means Koskie Minsky LLP, as appointed by the Court on May 27, 2009;
- (hh) “**Grievance Claim**” means any grievance (or part of such grievance) by an Employee or union against any Applicant as of the date of this Order, where that grievance (or part of such grievance) is (i) pursuant to a collective agreement with such Applicant, (ii) for monetary compensation, and (iii) not covered in an Information Statement and the Compensation Claims Methodology. Where part of a grievance is for monetary compensation, and part of the same grievance is for other relief, only that part of the grievance that is for monetary compensation shall be a Grievance Claim for the purposes of this Order;
- (ii) “**Identified Claimants**” means Employees (other than Active Employees, Active Canadian Service Employees and Active Precision Employees), including

Terminated Canadian Service Employees and Retired Precision Employees, known to the Applicants and the Monitor as of the date of this Order to have Compensation Claims according to the books and records of the Applicants;

- (jj) **“Indemnification Claim”** means the claim of any Director or Officer as of the date of this Order against one or more of the Applicants for indemnification and/or contribution arising from such Director’s or Officer’s service to any Applicant;
- (kk) **“Information Statement”** means individual information statements prepared by the Applicants, with the assistance of Mercer and the Monitor, to be sent to Identified Claimants and, subsequently, Active Employees, Active Canadian Service Employees and Active Precision Employees, as part of the Information Statement Package, each such Information Statement to be in substantially the form as the Information Statement included as Appendix “N” to the Monitor’s Report, as such Information Statement may be amended or revised by the Monitor from time to time;
- (ll) **“Information Statement Package”** means a document package, substantially in the form attached as Schedule “A” hereto, that includes: (i) a cover letter; (ii) Form A – Your Compensation Claim Amount; (iii) Form B – Your Personal Information Change Form; (iv) Guide to Using Form B; and (v) the Proof of Claim Document Package;

- (mm) “**Initial Order**” means the Third Amended and Restated Initial Order dated January 14, 2009 made in these proceedings, as such Order may be further amended from time to time;
- (nn) “**LTD Beneficiaries**” means Terminated Employees of an Applicant who (i) were not working at the time of termination due to an injury, illness or medical condition in respect of which they were receiving or were entitled to receive disability income benefits by or through an Applicant, and (ii) who may assert an existing or future claim for payment, reimbursement or coverage arising in connection with (A) their employment with an Applicant or termination thereof, or (B) a pension or benefit plan sponsored by an Applicant, including in relation to medical, dental, long-term or short-term disability income benefits, life insurance or any other benefit, obligation or payment to which such person (or others who may be entitled to claim under or through such person) may be entitled, save and except those LTD Beneficiaries whose benefit or other payments, as described above, arise directly or inferentially out of a collective agreement between the Applicants, or any of them, and the CAW;
- (oo) “**LTD Beneficiaries’ Representative Counsel**” means Koskie Minsky LLP, as appointed by the Court on July 30, 2009;
- (pp) “**Mercer**” means Mercer (Canada) Limited (the Applicants’ actuarial advisor);
- (qq) “**Mercer 2011 Non-Pension Benefits Valuation**” means the Valuation of the Obligations of the Non-Pension Benefits for Claim Purposes as at the Determination Date, by Mercer, dated September 2011;

- (rr) “**Mercer 2011 Non-Registered Pension/Pension Accruals Valuation**” means the Valuation of Non-Registered Pension Benefits and Loss of Registered Pension Benefit Accruals for Claim Purposes as at the Determination Date, by Mercer, dated September 2011;
- (ss) “**Mercer 2011 Valuations**” means, collectively, the Mercer 2011 Non-Registered Pension/Pension Accruals Valuation and the Mercer 2011 Non-Pension Benefits Valuation;
- (tt) “**Monitor**” means Ernst & Young Inc. in its capacity as monitor pursuant to the Initial Order;
- (uu) “**Monitor Corrected Information Statement**” means a revised Information Statement sent by the Monitor to an Employee if any errors are independently discovered by or made known to the Monitor in the Personal Information that affect the amount of the Compensation Claim of such Employee;
- (vv) “**Monitor Corrected Personal Information**” means that portion of the Personal Information set out in an Information Statement that the Monitor has independently corrected in accordance with paragraph 15 of this Order and as reflected in a Monitor Corrected Information Statement;
- (ww) “**Monitor’s Report**” means the Seventy-Fifth Report of the Monitor dated September 19, 2011 and filed with the Court;

- (xx) **“Non-Pension Benefits”** means the non-pension benefits provided by the Applicants to Employees and listed in the Monitor’s Report and in the Mercer 2011 Non-Pension Benefits Valuation;
- (yy) **“Non-Registered Pensions Plans”** means the non-registered pension plans provided by the Applicants to Employees and listed in the Monitor’s Report and the Mercer 2011 Non-Registered Pension/Pension Accruals Valuation;
- (zz) **“Notice for Publication”** means the notice to Compensation Creditors for publication in substantially the form attached as Schedule “C” hereto, or such Notice for Publication as translated into French or another language;
- (aaa) **“Notice of Acceptance (Personal Information)”** means a notice, in substantially the form as attached as Schedule “H” hereto, advising an Employee that the Monitor has accepted a change to that Employee’s Personal Information and that the change does not result in a revised Compensation Claim amount;
- (bbb) **“Notice of Disallowance”** means a Notice of Disallowance (Personal Information) or Notice of Disallowance (Proof of Claim), as the case may be;
- (ccc) **“Notice of Disallowance (Personal Information)”** means a notice, in substantially the form attached as Schedule “D” hereto, advising an Employee that the Monitor has disallowed all or part of the changes that have been requested by such Employee in a Request for Correction;
- (ddd) **“Notice of Disallowance (Proof of Claim)”** means a notice, in substantially the form attached as Schedule “E” hereto, advising a Compensation Creditor that the

Monitor has disallowed all or part of such Compensation Creditor's Claim set out in a Proof of Claim filed by or on behalf of that Compensation Creditor;

- (eee) **"Officer"** means a current or former officer of an Applicant;
- (fff) **"Other Compensation Claim"** means any Claim other than a Compensation Claim;
- (ggg) **"Patent Award Claims"** means the claims of Employees under the Applicants' patent award program described in the Monitor's Report, calculated in accordance with the Compensation Claims Methodology and to be set out in an Information Statement;
- (hhh) **"Patent Award Claim Methodology"** means the methodology for calculating Patent Award Claims as set out in Appendix "E" to the Monitor's Report;
- (iii) **"Pensioner Eligible Terminated Employees"** means Terminated Employees who were terminated after the Filing Date and were pensioner eligible at the date of termination but excluding Post-Filing Transferred Employees and LTD Beneficiaries;
- (jjj) **"Person"** includes any individual (including an Employee), partnership, joint venture, trust, corporation, unlimited liability company, unincorporated organization, government body or agency or instrumentality thereof, or any other juridical entity howsoever designated or constituted;
- (kkk) **"Personal Information"** means the personal information relating to a particular Employee based on the Applicants' books and records as at Year End 2010, as

updated from time to time, contained in “Form B - Your Personal Information Change Form” section of an Information Statement, as such Personal Information may be amended as a result of a Request for Correction accepted in writing by the Monitor, as a result of a Monitor Corrected Information Statement, or as a result of a determination pursuant to the dispute resolution mechanisms set out in Part V of this Order;

(lll) **“Plan”** means any plan of compromise and arrangement by one or more of the Applicants, if and when filed and approved by this Court, as revised, amended, modified or supplemented from time to time in accordance with its terms;

(mmm) **“Post-Filing Terminated Employees”** means Terminated Employees other than Pre-Filing Terminated Employees;

(nnn) **“Post-Filing Transferred Employees”** means Post-Filing Terminated Employees of any Applicant who, after the Filing Date, transferred employment to the buyer of a business unit of an Applicant, or who were offered employment with a buyer, but declined the offer, but excluding Pensioner Eligible Terminated Employees;

(ooo) **“Precision”** means Precision Communications Service Corp.;

(ppp) **“Precision Transaction”** means the sale of assets by Nortel Networks Corporation to Precision completed as of March 3, 2000;

(qqq) **“Pre-Filing Terminated Employees”** means Terminated Employees who were terminated or received notice of termination prior to the Filing Date and have amounts owing to them under their termination agreements;

- (rrr) **“Proof of Claim Document Package”** means a claim document package for any Compensation Creditor other than Identified Claimants comprised of a Form C – Proof of Claim and a Guide to Completing Form C, substantially in the form attached as Schedule “B” hereto;
- (sss) **“Proof of Claim”** means the Form C - Proof of Claim, substantially in the form attached as Schedule “B” hereto;
- (ttt) **“Proof of Claim Bar Date”** means prior to 4:00 p.m. (Eastern Time) on January 6, 2012;
- (uuu) **“Proof of Claim Rolling Bar Date”** means prior to 4:00 p.m. (Eastern Time) on the date that is fifty (50) calendar days after the date on which that Active Employee, Active Canadian Service Employee or Active Precision Employee, as applicable, is sent an Information Statement Package;
- (vvv) **“Proven Claim”** means a Compensation Claim or Other Compensation Claim as finally determined in accordance with Part III, Part IV and Part V of this Order, as applicable;
- (www) **“Registered Pension Plans”** means the Nortel Networks Limited Managerial and Non-Negotiated Pension Plan and the Nortel Networks Limited Negotiated Plan;
- (xxx) **“Released Claims”** means a Claim that was released pursuant to the Settlement Agreement or the Settlement Agreement Order;
- (yyy) **“Representative Counsel”** means Court-appointed representative counsel, being the Former Employees’ Representative Counsel, LTD Beneficiaries’

Representative Counsel, Continuing Employees' Representative Counsel, and CAW Counsel;

(zzz) “**Request for Correction**” means the request by an Employee for a correction to the Personal Information set out in the Information Statement provided to that Employee, such Request for Correction to be completed and signed in the manner required in the Information Statement;

(aaaa) “**Request for Correction Bar Date**” means on or before 4:00 p.m. (Eastern Time) on January 6, 2012;

(bbbb) “**Request for Correction Rolling Bar Date**” means on or before 4:00 p.m. (Eastern Time) on the date that is fifty (50) calendar days after the day on which an Information Statement Package was sent to an Active Employee or Active Canadian Service Employee, as applicable;

(cccc) “**Retired Precision Employees**” means individuals who (i) were employed by an Applicant immediately prior to the Precision Transaction, (ii) were Unionized Employees, (iii) were transferred to Precision as part of the Precision Transaction, (iv) are identified by Former Employees' Representative Counsel by the date of the Compensation Claims Procedure Order as having retired from Precision, and (v) have a Benefit Claim under the RAP in accordance with the terms of the Precision Transaction according to the books and records of the Applicants;

(dddd) “**Revised Information Statement**” a revised Information Statement sent to an Employee reflecting correction(s) to the Personal Information and the revised Compensation Claim amount;

- (eeee) “**Settlement Agreement**” means the Amended and Restated Settlement Agreement dated March 30, 2010 among the Applicants and others, as approved by the Settlement Agreement Order;
- (ffff) “**Settlement Agreement Order**” means the Order of the Court made on March 31, 2010, approving the Settlement Agreement;
- (gggg) “**Terminated Canadian Service Employees**” means individuals who were employed by an Applicant at some point but have been terminated and immediately prior to their termination were employed by a Nortel entity that is not an Applicant;
- (hhhh) “**Terminated Employees**” means Employees employed by an Applicant immediately prior to termination and who were terminated;
- (iiii) “**Termination and Severance Pay Claims**” means the claims of Employees for termination and severance pay including, where applicable, damages for or in the nature of wrongful dismissal, claims for fringe benefits, Registered Pension Plan accruals and grow-ins under Non-Registered Plans during the applicable Court-approved notice period calculated in accordance with the Compensation Claims Methodology and to be set out in an Information Statement;
- (jjjj) “**Termination and Severance Claim Methodology**” means the termination and severance claim methodology described in the Monitor’s Report and reflected in Appendix “D” to the Monitor’s Report and the Mercer 2011 Valuations;

(kkkk) **“Unionized Employees”** means all current employees of the Applicants that are subject to a collective bargaining agreement and all former employees of the Applicants that were subject to a collective bargaining agreement at the date of their termination; and

(llll) **“U.S. Court”** means the United States Bankruptcy Court for the District of Delaware;

(mmmm) **“U.S. Debtors”** means, collectively, Nortel Networks (CALA) Inc. and Nortel Networks Inc. and those of its subsidiaries that filed voluntary petitions under Chapter 11 of the United States Bankruptcy Code in the U.S. Court on the Filing Date;

(nnnn) **“U.S. Proceedings”** means the reorganization proceedings commenced by the U.S. Debtors under Chapter 11 of the United States Bankruptcy Code;

(oooo) **“Year End 2010”** means midnight on December 31, 2010.

PART II – PROVISIONS RELATING TO INITIAL NOTICE

4. THIS COURT ORDERS that:

(a) within 10 Business Days following the making of this Order, the Monitor will post on its website at www.ey.com/ca/Nortel an electronic copy of the Motion Record relating to the within Motion and will also, as a separate link, post an electronic copy of the following documents:

(i) this Order;

- (ii) Guide to Using Form B (in both English and French);
 - (iii) a Proof of Claim Document Package (in both English and French);
 - (iv) the Mercer 2011 Valuations;
 - (v) the Termination and Severance Claim Methodology; and
 - (vi) the Patent Award Claim Methodology;
- (b) the Monitor shall, within twenty-one (21) Business Days of this Order, send to each Identified Claimant by ordinary mail at the address as last shown on the Applicants' records, a copy of the Information Statement Package in French or in English, as applicable, according to the indicated language preference of the Identified Claimant as per the Applicants' records;
- (c) the Monitor shall, within twenty-one (21) Business Days of this Order, send to each Employee referred in paragraph 25 of the Monitor's Report who is not sent an Information Statement Package, by ordinary mail at the address as last shown on the Applicants' records, a copy of the Proof of Claim Package;
- (d) the Monitor shall, within twenty-one (21) Business Days of the making of this Order, send the following:
- (i) to the Active Employees, a letter substantially in the form attached as Schedule "I" hereto in French or in English, as applicable, according to the individual language preference of the Active Employee as per the Applicants' records;

- (ii) to the Post-Filing Transferred Employees who are not receiving an Information Statement Package, a letter substantially in the form attached as Schedule “J” hereto in French or in English, as applicable, according to the individual language preference of the Post-Filing Transferred Employees as per the Applicants’ records and a Proof of Claim Document Package; and
 - (iii) to Employees with out of country addresses who are not receiving an Information Statement Package, a letter substantially in the form attached as Schedule “K” hereto in French or in English, as applicable, according to the individual language preference of the Employee as per the Applicants’ records and a Proof of Claim Document Package;
- (e) the Monitor shall send a copy of the Information Statement Package to each Active Employee, Active Canadian Service Employee and Active Precision Employee:
 - (i) within twenty-one (21) Business Days of December 31, 2011 for those (A) Active Employees and Active Canadian Service Employees the Applicants have informed the Monitor ceased to be an Active Employee or Active Canadian Service Employee, as applicable, on or before December 31, 2011 and (B) Active Precision Employees the Former Employees’ Representative Counsel have informed the Monitor and the Applicants ceased to be an Active Precision Employee on or before December 31, 2011; or

- (ii) within twenty-one (21) Business Days after (A) the Applicants inform the Monitor that the Active Employee or Active Canadian Service Employee ceased to be an Active Employee or Active Canadian Service Employee, as applicable, on or after January 1, 2012 and (B) the Former Employees' Representative Counsel inform the Monitor and the Applicants that the Active Precision Employee ceased to be an Active Precision Employee on or after January 1, 2012;
 - (f) within twenty-one (21) Business Days of the making of this Order, the Monitor shall cause to be published the Notice for Publication in English in the Globe and Mail (National Edition), USA Today, the Calgary Herald, The Ottawa Citizen, the Toronto Star, the Belleville Intelligencer, the Kingston Whig Standard, the London Free Press, Vancouver Sun, Halifax Chronicle Herald and the Montreal Gazette and in French in La Presse and Le Droit; and
 - (g) the Monitor shall, provided such request is received by the Monitor prior to the applicable Bar Date, deliver as soon as reasonably possible following receipt of a request therefor, a copy of the applicable Claims Package to any Person claiming to have a Compensation Claim or an Other Compensation Claim, as the case may be, and requesting such material.
5. THIS COURT ORDERS that if a Claims Package or letter referred to in paragraphs 4(d)(i)-(iii) hereof is returned by the post office as having an incorrect address, the Monitor and the Applicants will advise the Representative Counsel for that Person, will make reasonable efforts to ascertain a correct address for the applicable Person and resend the applicable package to such Person. Where a Claims Package has been

returned as having an incorrect address, the time period for that Person to submit a Request for Correction shall be extended to fifty (50) calendar days from the date on which the Claims Package is resent to the Person's correct address.

PART III – PROVISIONS RELATING TO INFORMATION STATEMENTS

Requests for Correction of Personal Information

6. THIS COURT ORDERS that the Monitor shall provide copies of any Requests for Correction received by it to the applicable Representative Counsel.
7. THIS COURT ORDERS that unless a Request for Correction is received by the Monitor on or before the Request for Correction Bar Date or the Request for Correction Rolling Bar Date, as applicable, (i) the Personal Information contained in an Information Statement sent to an Employee shall be deemed correct and confirmed in all respects by the Employee and shall be final and binding on the Employee, and (ii) the Employee shall be barred from making any Claim inconsistent with such Personal Information; provided that if an Employee has received a Monitor Corrected Information Statement, an Employee may dispute the Monitor Corrected Personal Information in accordance with Part V of this Order.
8. THIS COURT ORDERS that the Monitor may, where it is satisfied that a Request for Correction has been adequately filed, waive strict compliance with the requirements of this Order relating to such Request for Correction.
9. THIS COURT ORDERS that any Request for Correction received by the Monitor on or before the Request for Correction Bar Date shall be reviewed and considered by the

Monitor, in consultation with the Applicants, and that the Monitor may (i) accept the corrections requested (in whole or in part), or (ii) disallow the corrections requested (in whole or in part) by way of Notice of Disallowance (Personal Information), delivered to the Employee with a copy to the applicable Representative Counsel for that Employee.

10. THIS COURT ORDERS that where the Monitor has accepted corrections set out in the Request for Correction that will (i) change the Compensation Claim amount with respect to any Employee, then the Monitor shall send to that Employee a Revised Information Statement, stating the revised Compensation Claim amount and providing the revised Personal Information, or (ii) not change the Compensation Claim amount with respect to any Employee, then the Monitor will send to that Employee a Notice of Acceptance (Personal Information).
11. THIS COURT ORDERS that where (i) a Request for Correction has not been received by the Monitor on or before the Request for Correction or Request for Correction Rolling Bar Date, as applicable, or (ii) a Request for Correction has been accepted in writing by the Monitor, then the Compensation Claim and Personal Information (as set out in the Information Statement, Revised Information Statement, or Notice of Acceptance (Personal Information), as the case may be) shall be final and binding for all purposes, including for the purposes of voting and distribution under the Plan, and the Employee shall be and is hereby forever barred from disputing the Personal Information set out therein and the Compensation Claim (which shall constitute a Proven Claim) based on such Personal Information and from making any Claim inconsistent with such Personal Information.

12. THIS COURT ORDERS that where a Notice of Disallowance (Personal Information) in respect of a Request for Correction has been sent to an Employee by the Monitor, the procedures set out in Part V of this Order shall thereafter apply.

Compensation Claims determined by this Process

13. THIS COURT ORDERS that a Compensation Claim as finally determined in accordance with the forms and procedures set out in this Order, including any determination as to the nature, amount, value, priority or validity of any Compensation Claim, shall constitute a Proven Claim, shall be final and binding for all purposes, including any Plan, and including, without limitation, for any distribution made to Compensation Creditors, and that no other Compensation Claim under Part IV of this Order or otherwise may be made by a Compensation Creditor.

General

14. THIS COURT ORDERS that at any time, the Monitor or the Applicants may request additional information from a Compensation Creditor with respect to Personal Information or any Claim made by that Compensation Creditor.
15. THIS COURT ORDERS that if the Monitor independently discovers or is made aware of any errors in the Personal Information that affect the amount of the Compensation Claim of an Employee, the Monitor has the discretion to make those corrections. If any such errors are discovered and corrections are made by the Monitor, the Monitor shall send a Monitor Corrected Information Statement together with a Dispute Notice (Personal Information) to such Employee who will have twenty-eight (28) calendar days after the

Monitor Corrected Information Statement is sent to dispute the Monitor Corrected Personal Information, which dispute will be subject to Part V of this Order.

PART IV – PROVISIONS RELATING TO PROVING OTHER COMPENSATION CLAIMS

Requirement to File a Proof of Claim

16. THIS COURT ORDERS that any Compensation Creditor (or union with respect to a Grievance Claim) that wishes to assert an Other Compensation Claim shall be required to file a Proof of Claim on or before the Applicable Proof of Claim Bar Date, as provided herein, provided, however, that Compensation Creditors shall not file a Proof of Claim with respect to payments to be made from a Registered Pension Plan by the administrator (currently, Morneau Sheppel Ltd.) of a Registered Pension Plan.

Deadline for Filing of Proofs of Claim

17. THIS COURT ORDERS that all Proofs of Claim (other than in respect of an Active Employee, an Active Canadian Service Employee or an Active Precision Employee) shall be filed with the Monitor and that any Compensation Creditor (other than an Active Employee or Active Canadian Service Employee) having an Other Compensation Claim, or union with respect to a Grievance Claim in respect of a Compensation Creditor (other than an Active Employee), that does not file a Proof of Claim (together with supporting documentation) as provided for herein such that such Proof of Claim is received by the Monitor on or before the Proof of Claim Bar Date (a) shall be and is hereby forever barred from making or enforcing any Other Compensation Claim against the Applicants, or any of them, or against the Directors or Officers, or any of them; (a) shall not be

entitled to vote such Other Compensation Claim at the Creditors' Meeting in respect of the Plan or to receive any distribution thereunder, and (c) in respect of an Other Compensation Claim, shall not be entitled to any further notice in, and shall not be entitled to participate as a creditor in, these proceedings.

18. THIS COURT ORDERS that all Proofs of Claim in respect of an Active Employee, Active Canadian Service Employee or Active Precision Employee shall be filed with the Monitor and that any Active Employee, Active Canadian Service Employee, Active Precision Employee or union with respect to a Grievance Claim in respect of an Active Employee, that does not file a Proof of Claim (together with supporting documentation) as provided for herein such that such Proof of Claim is received by the Monitor on or before the Proof of Claim Rolling Bar Date (a) shall be and is hereby forever barred from making or enforcing any Other Compensation Claim against the Applicants, or any of them, or against the Directors or Officers, or any of them; (b) shall not be entitled to vote such Other Compensation Claim at the Creditors' Meeting in respect of the Plan or to receive any distribution thereunder, and (c) in respect of an Other Compensation Claim, shall not be entitled to any further notice in, and shall not be entitled to participate as a creditor in, these proceedings.

Proofs of Claim

19. THIS COURT ORDERS that if an Other Compensation Claim is being asserted against any Director or Officer of an Applicant, such Other Compensation Claim against that Director or Officer shall be included in the same Proof of Claim.

20. THIS COURT ORDERS that each Compensation Creditor shall include any and all Other Compensation Claims it asserts against any Applicant in a single Proof of Claim, provided, however, that where a Compensation Creditor has taken an assignment or transfer of an Other Compensation Claim after the Filing Date, that Compensation Creditor shall file a separate Proof of Claim for each such assigned or transferred Other Compensation Claim.
21. THIS COURT ORDERS that if any Other Compensation Claim arose in a currency other than Canadian dollars, then the Compensation Creditor making the Other Compensation Claim shall complete its Proof of Claim indicating the amount of the Other Compensation Claim in such currency, rather than in Canadian dollars or any other currency. The Monitor shall subsequently calculate the amount of such Other Compensation Claim in Canadian dollars, using the Reuters closing exchange rate on January 13, 2009, without prejudice to the ability of the Applicants to utilize a different exchange rate in any Plan.
22. THIS COURT ORDERS that the Monitor may, where it is satisfied that an Other Compensation Claim has been adequately filed, waive strict compliance with the requirements of this Order as to completion and execution of Proofs of Claim.
23. THIS COURT ORDERS that the Monitor, in consultation with the Applicants and if the Claim in question is asserted against a Director or Officer, such Director or Officer, shall review all Proofs of Claims that are filed on or before the Applicable Proof of Claim Bar Date and may accept the Other Compensation Claim as filed, or may disallow the Other Compensation Claim (in whole or in part) by way of a Notice of Disallowance (Proof of Claim) delivered to the Compensation Creditor.

24. THIS COURT ORDERS that where a Notice of Disallowance (Proof of Claim) has been delivered to an Employee by the Monitor, the procedures set out in Part V of this Order shall thereafter apply.
25. THIS COURT ORDERS that an Other Compensation Claim as finally determined in accordance with the forms and procedures set out in Order, including any determination as to the nature, amount, value, priority or validity of any Other Compensation Claim, shall constitute a Proven Claim, shall be final and binding for all purposes, including any Plan, and including, without limitation, for any distribution made to Compensation Creditors, and that no other Other Compensation Claim under Part IV of this Order or otherwise may be made by a Compensation Creditor.

General

26. THIS COURT ORDERS that at any time, the Monitor or the Applicants may request additional information from a Compensation Creditor with respect to an Other Compensation Claim, and the Monitor may request that the Compensation Creditor file a revised Proof of Claim.

PART V – NOTICES OF DISALLOWANCE AND DISPUTES

Status of Disallowed Requests for Corrections or Disallowed Claims

27. THIS COURT ORDERS that where a Request for Correction or a Claim has been disallowed (in whole or in part) by a Notice of Disallowance, the disallowed portion of that Request for Correction or Claim shall not establish a Proven Claim unless the

Compensation Creditor has disputed the disallowance and the disallowance has been resolved in accordance with this Part V of this Order.

Dispute Notice

28. THIS COURT ORDERS that any Compensation Creditor that intends to dispute a Notice of Disallowance or Monitor Corrected Personal Information shall file a Dispute Notice with the Monitor as soon as reasonably possible but in any event such that such Dispute Notice shall be received by the Monitor on or before 4:00 p.m. (prevailing Eastern Time) on the day that is twenty-eight (28) calendar days after the Monitor sends the Notice of Disallowance or Monitor Corrected Information Statement in accordance with this Order. The filing of a Dispute Notice with the Monitor within the time limited therefor shall constitute an application to have the Request for Correction, Monitor Corrected Personal Information and/or the amount or status of such Claim, as the case may be, determined as set out in paragraphs 30 to 34 hereof.
29. THIS COURT ORDERS that where a Compensation Creditor that receives a Notice of Disallowance or Monitor Corrected Information Statement fails to file a Dispute Notice with the Monitor within the time limited therefor, the Personal Information, and/or the amount and status of such Claim, as the case may be, shall be deemed to be as set out in the Notice of Disallowance or Monitor Corrected Information Statement and such Personal Information and such amount and status, as the case may be, shall be final and binding for all purposes, shall establish such Compensation Creditor's Proven Claim and an Employee will be barred from making any Claim inconsistent with such Personal Information.

Resolution of Claims

30. THIS COURT ORDERS that as soon as practicable after the delivery of the Dispute Notice to the Monitor, the Compensation Creditor, the Monitor and a Director or Officer if the Claim in question is asserted against such Director or Officer, in consultation with the Applicants, shall attempt to consensually resolve and settle the dispute.
31. THIS COURT ORDERS that in the event that the dispute between the Compensation Creditor and the Monitor is not settled within a time period or in a manner satisfactory to the Monitor, the Monitor shall refer the dispute to a Claims Officer for determination, or in the alternative, bring the dispute before the Court for determination. If the Monitor refers the dispute to a Claims Officer for determination, then (i) the Claims Officer shall determine the manner, if any, in which evidence may be brought before the Claims Officer by the parties as well as any other matters, procedural or substantive, which may arise in respect of the Claim Officer's determination of the Request for Correction, Monitor Corrected Personal Information or a Claim, and (ii) the provisions of paragraphs 32 and 33 of this Order shall apply to the determination of the Claims Officer. For greater certainty, the Claims Officer may require written submissions, and may limit submissions to written submissions, at the Claims Officer's discretion.
32. THIS COURT ORDERS that the Claims Officer shall as soon as is practicable, and in any event by no later than (i) thirty (30) calendar days from the closing of submissions (whether written or oral or both), or (ii) such other date as the Claims Officer and the Monitor may agree, notify the Compensation Creditor and the Monitor and, if the Claim in question is asserted against a Director or Officer, such Director or Officer, in writing

of the Claims Officer's determination of such Request for Correction, Monitor Corrected Personal Information or such Claim, as the case may be.

33. THIS COURT ORDERS that the Claims Officer's determination of any Request for Correction, Monitor Corrected Personal Information or Claim shall be final and binding, unless within ten (10) Business Days of the delivery of the Claims Officer's determination, the Monitor or the Compensation Creditor, or a Director or Officer if the Claim in question is asserted against such Director or Officer, has filed with this Court an appeal, by way of Notice of Motion, of the Claims Officer's determination.
34. THIS COURT ORDERS that the Personal Information and/or the amount and status of every Claim as finally determined in accordance with the forms and procedures set out in this Order, including any determination as to the nature, amount, value, priority or validity of any Claim, shall constitute a Proven Claim, shall be final and binding for all purposes, including any Plan, and including, without limitation, for any distribution made to Compensation Creditors, and that no other Claim may be made by a Compensation Creditor.

PART VI – PROVISIONS APPLICABLE TO ALL CLAIMS

Claims affected by Settlement Agreement and Settlement Agreement Order

35. THIS COURT ORDERS that Released Claims may not be proven or become Proven Claims pursuant to the provisions of this Order.
36. THIS COURT ORDERS that the provisions of the Settlement Agreement and the Settlement Agreement Order that otherwise affect Claims (including the nature, amount,

value, priority or validity of any Claim) shall be binding on all Persons for the purposes of the determination of Claims pursuant to the provisions of this Order and nothing in this Order supersedes or shall be deemed to supersede any provision of the Settlement Agreement and the Settlement Agreement Order, each of which remains in effect.

Duplicate Claims

37. THIS COURT ORDERS that the Monitor and the Applicants shall attempt to identify all Duplicate Claims, and may at any time seek directions from the Court as to which Person or Persons shall be given sole or primary carriage with respect to the assertion of any Claim or CPO Claim that is a Duplicate Claim, and with respect to the process and procedures for resolving Duplicate Claims.

PART VII – THE MONITOR, REPRESENTATIVE COUNSEL, ETC.

Monitor's Role

38. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, the Initial Order, and the August 14, 2009 Order made in these proceedings, is hereby directed and empowered to take such other actions and fulfill such other roles as are authorized by this Order.

Protections for Monitor

39. THIS COURT ORDERS that (i) in carrying out the terms of this Order, the Monitor shall have all of the protections given to it by the CCAA, the Initial Order, and the August 14, 2009 Order made in these proceedings, or as an officer of this Court, including the stay of proceedings in its favour, (i) the Monitor shall incur no liability or obligation as a result

of the carrying out of the provisions of this Order, except for its own wilful misconduct or gross negligence, (iii) the Monitor shall be entitled to rely on the books and records of the Applicants, and any information provided by the Applicants, all without independent investigation, and (iv) the Monitor shall not be liable for any claims or damages resulting from any errors or omissions in such books, records and information.

40. THE COURT ORDERS that the Monitor may authorize counsel or other professional advisors (including the actuaries retained by the Monitor or the Applicants) to take any steps or perform any duties to be taken or performed by the Monitor under this Order, on behalf of and in the stead of the Monitor.

Role of Representative Counsel

41. THIS COURT ORDERS that, unless otherwise directed by the Court:
- (a) Representative Counsel appointed with respect to an Employee may on behalf of that Employee (i) engage in discussions with the Monitor and the Applicants with respect to Personal Information, (ii) file a Request for Correction, (iii) respond to any Notice of Disallowance (Personal Information) or Monitor Corrected Personal Information issued by the Monitor with respect to such Employee, (iv) participate in the resolution of any Compensation Claim pursuant to Part III and Part V of this Order, provided that, if a Request for Correction or Monitor Corrected Personal Information has been referred to a Claims Officer or this Court, all costs will be in the discretion of the Claims Officer or this Court from the date of such referral, and (v) assist an Employee with an Other Compensation Claim that, in the judgment of the Representative Counsel, is a *bona fide* claim

that has not been dealt with through the Compensation Claims Methodology, provided that if any such Other Compensation Claim is referred to a Claims Officer or this Honourable Court, all costs associated with adjudicating any such claim that is not reasonably resolved, including preparation for adjudication, shall be dealt with by the Claims Officer or the Court, as applicable; and

- (b) where Grievance Claims arise under any collective agreement, the bargaining agent appointed under the collective agreement establishing such grievance procedures shall have sole carriage of the Grievance Claims of all Employees pursuant to such collective agreement;

provided however that nothing in this paragraph 41 shall relieve an Employee of his or her responsibility to review the Claims Package provided to him or her (including the Information Statement) and to submit a Request for Correction, a Proof of Claim, or a Dispute Notice, where that Employee wishes to do so and is entitled to do so in accordance with the procedures and within the time limits set out in this Order.

- 42. THIS COURT ORDERS that Representative Counsel shall hold information sessions in order to provide an overview of the claims process set out herein and an opportunity for their respective constituents to ask any questions they may have regarding the claims process set out herein.

PART VIII – MISCELLANEOUS

Notice of Transfers

43. THIS COURT ORDERS that neither the Applicants nor the Monitor shall be obligated to give notice to or to otherwise deal with a transferee or assignee of a Claim as the Compensation Creditor in respect thereof unless and until (i) actual written notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received by the Monitor, and (ii) the Monitor shall have acknowledged in writing such transfer or assignment, and thereafter such transferee or assignee shall for the purposes hereof constitute the “Compensation Creditor” in respect of such Claim. Any such transferee or assignee of a Claim, and such Claim, shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Order prior to the written acknowledgment by the Monitor of such transfer or assignment.
44. THIS COURT ORDERS that if the holder of a Claim has transferred or assigned the whole of such Claim to more than one Person or part of such Claim to another Person or Persons, such transfer or assignment shall not create a separate Claim or Claims and such Claim shall continue to constitute and be dealt with as a single Claim notwithstanding such transfer or assignment, and the Applicants and the Monitor shall in each such case not be bound to acknowledge or recognize any such transfer or assignment and shall be entitled to give notices to and to otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim in whole as the Compensation Creditor in respect of such Claim. Provided that a transfer or assignment of the Claim has taken place in accordance with paragraph 43 of this Order and the Monitor has acknowledged in writing such transfer or assignment, the Person last holding such Claim

in whole as the Compensation Creditor in respect of such Claim may by notice in writing to the Monitor direct that subsequent dealings in respect of such Claim, but only as a whole, shall be with a specified Person and in such event, such Compensation Creditor, such transferee or assignee of the Claim and the whole of such Claim shall be bound by any notices given or steps taken in respect of such Claim by or with respect to such Person in accordance with this Order.

45. THIS COURT ORDERS that the transferee or assignee of any Claim (i) shall take the Claim subject to the rights and obligations of the transferor/assignor of the Claim, and subject to the rights of any Applicant against any such transferor or assignor, including any rights of set-off which any Applicant had against such transferor or assignor, and (ii) cannot use any transferred or assigned Claim to reduce any amount owing by the transferee or assignee to any Applicant, whether by way of set off, application, merger, consolidation or otherwise.

Directions

46. THIS COURT ORDERS that the Applicants or the Monitor may, at any time, and with such notice as this Court may require, seek directions from the Court with respect to this Order and the Claims process set out herein, including the forms attached as Schedules hereto.

Cross-Border Claims Protocol

47. For the avoidance of doubt, nothing in this Order supersedes or shall be deemed to supersede any provision of the Cross-Border Protocol, the Cross-Border Claims Protocol, the Claims Procedure Order or the Claims Resolution Order, each of which remains in

effect in these cases and/or the U.S. Proceedings pursuant to the respective prior orders of this Court and the U.S. Court. Furthermore, nothing in this Order shall constitute a determination as to the validity or amount of any employee claim that may be filed against the U.S. Debtors in their chapter 11 cases.

Claim against Applicants

48. THIS COURT ORDERS that all Compensation Claims shall be treated as filed against all Applicants but shall not be considered to be proven against any Applicants other than an Applicant who is an employer of record, except pursuant to a Plan or further Order of this Court.

Service and Notice

49. THIS COURT ORDERS that the Monitor or the Applicants, as the case may be, are at liberty to deliver Claims Packages, and any letters, notices or other documents to Compensation Creditors or other interested Persons, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile or e-mail to such Persons at the address as last shown on the records of the Applicants and that any such service or notice by courier, personal delivery, facsimile or e-mail shall be deemed to be received on the next Business Day following the date of forwarding thereof, or if sent by prepaid ordinary mail, on the fourth Business Day after mailing. Notwithstanding anything to the contrary in this paragraph 49, Notices of Disallowance shall be sent only by registered mail or by courier.
50. THIS COURT ORDERS that any notice or other communication (including, without limitation, Requests for Correction, Proofs of Claim and Dispute Notices) to be given

under this Order by a Compensation Creditor to the Monitor shall be in writing in substantially the form, if any, provided for in this Order and will be sufficiently given only if given by prepaid ordinary mail, courier, personal delivery, facsimile or e-mail addressed to:

ERNST & YOUNG INC.
Court-appointed Monitor of Nortel Networks Corporation & others
222 Bay Street, Suite 1600
Toronto, Ontario
Canada M5K 1J7

Attention: Nortel Claims
Telephone: 1-416-943-4439 or 1-866-942-7177
E-mail nortel.monitor@ca.ey.com
Fax: 1-416-943-2808

Any such notice or other communication by a Compensation Creditor shall be deemed received only upon actual receipt thereof during normal business hours on a Business Day.

51. THIS COURT ORDERS that where, pursuant to this Order, consultation is to occur with a Director or Officer or notice is to be given to any such Person, and such Director or Officer is represented by counsel, then such consultation or notice may be with or to such counsel.
52. THIS COURT ORDERS that neither the Applicants nor the Monitor are under any obligation to give notice to or deal with any Person other than the Compensation Creditor holding a Claim, and without limitation shall have no obligation to give notice to or deal with any Person having a security interest in a Claim (including the holder of a security interest created by way of a pledge or a security interest created by way of an assignment

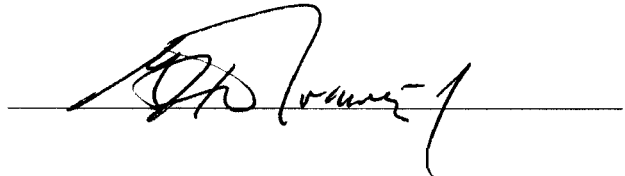
of the Claim), and such Persons shall be bound by any notices given to the Compensation Creditor and any steps taken in respect of such Claim in accordance with this Order.

Request for Aid and Recognition

53. THIS COURT ORDERS AND REQUESTS the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada (including the assistance of any court in Canada pursuant to Section 17 of the CCAA) and any court or any judicial, regulatory or administrative body of the United States of America, the United Kingdom, the French Republic, the State of Israel, and the Republic of Korea, and of any other nation or state, to act in aid of and to be complementary to this Court in carrying out the terms of this Order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOKED IN
LE / DANS LE REGISTRE NO.:

OCT 06 2011

A handwritten signature in black ink, appearing to be "J. Lamer", is written over a horizontal line.

PER/PAS. 

SCHEDULE A
INFORMATION STATEMENT PACKAGE

SCHEDULE A

Your Information Statement Package

In the Matter of Nortel Canada CCAA Proceedings

Personal & Confidential

<NAME> <SEQNO>
<ADDR1>
[Variable print – ADDRPT – for employees with a second address line]
<<ADDR2>>
<CITY>, <PROV> <POSTAL>
<COUNTRY>

THIS DOCUMENT CONTAINS IMPORTANT LEGAL INFORMATION - YOU (OR YOUR AUTHORIZED REPRESENTATIVE) MUST READ IT CAREFULLY AND REVIEW THE INFORMATION CONTAINED HEREIN. YOU DO NOT NEED TO TAKE ANY ACTION IF THE INFORMATION IS CORRECT. HOWEVER, IF CORRECTIONS ARE REQUIRED, YOU MUST TAKE THE ACTIONS BY **DECEMBER 30, 2011**.

As you know, Nortel Networks Limited, Nortel Networks Corporation, Nortel Networks Technology Corporation, Nortel Networks International Corporation and Nortel Networks Global Corporation (collectively "Nortel Canada") filed for protection under the *Companies' Creditors Arrangement Act* (CCAA) on January 14, 2009 and Ernst & Young Inc. was appointed as the Monitor. This package has been prepared with the input of your Court-appointed Representatives and your Court-appointed Representative Legal Counsel, as well as with the input of counsel to CAW-Canada. Capitalized terms not defined in this package are as defined in the 75th Report of the Monitor.

Assessing and valuing the losses that employees, former employees, pensioners and their survivors have experienced due to Nortel Canada's insolvency is a key step in the CCAA proceedings. A claims process has been established for employment-related claims which is referred to as the "Compensation Claims Procedure" in the Court material. This process, including the basis for calculating your employment-related claim ("Compensation Claim"), has been approved by the Ontario Superior Court of Justice (the "Court"). Unless otherwise stated, all monetary amounts contained in this package are expressed in Canadian dollars.

Nortel Canada's records indicate you have a Compensation Claim against Nortel Canada. As set out in *Form A* and based on the personal information shown on *Form B* of this package, your aggregate Compensation Claim¹ against Nortel Canada is: CAD • and USD • less an amount owed to Nortel Canada of •<SOVCUR>.²

Since Nortel Canada is insolvent you will receive only a percentage of the full value of your Compensation Claim, in the form of one or more payments of money from the Nortel Canada estate. At this point, the timing and the amount is not yet known, but you will receive further information during the claims process to keep you up to date.

If you need assistance with respect to this package, please refer to the contact information for your court-appointed Representative Legal Counsel at the end of this letter.

Note: This Compensation Claims Process does not include claims for **the funding deficits** in the registered pension plans. Those claims have been made by the Administrator of the registered pension plan on behalf of all plan members. Any payments on those claims will be paid to the registered pension plans and will ultimately benefit the plan members. Any questions regarding your registered pension plans should be directed to Morneau Shepell Ltd. at: website: www.pensionwindups.morneausobeco.com, phone: Negotiated Plan: 1-877-392-2073, phone: Managerial Plan: 1-877-392-2074, email: nortelwindup@morneausobeco.com

¹The total of all the payments that you receive from Nortel Canada will be reduced by payments made to you, if any, from the Hardship Fund.

[Variable print – FOOTPRT13 – for employees with foreign overpayment]

²Your Aggregate Compensation Claim Amount will be offset by the amount that you owe Nortel Canada.

[Variable print – FOOTPRT1 – for employees with a severance claim]

Your Base Severance Claim amount has been reduced by payments made to you, if any, from the Termination Fund.

[Variable print – FOOTPRT2 – for employees with a non-pension claim]

Your Compensation Claim will be reduced by any payments received from the Health & Welfare Trust.

[Variable print – FOOTPRTN – For employees with negative claims – CDN Only]

A negative claim value indicates that the amount that you owe to Nortel Canada exceeds the Compensation Claim calculated for you.

[Variable print – FOOTPRTN – For employees with negative CDN claim and a USD claim]

A negative claim value indicates that the amount that you owe to Nortel Canada exceeds the Canadian dollar claim calculated for you. You may either: have a Compensation Claim if the negative CAD claim is offset by the USD claim; or owe an amount to Nortel Canada.

[Variable LETTER prints for employees with a Benefits Claim and lost pension ONLY]

Your Benefit Claim (which includes non-registered pension plans and post-employment benefits such as LTD, post-retirement and/or survivor benefits) has been calculated by Mercer (Canada) Limited ("Mercer"), the actuaries retained by Nortel Canada, and has been reviewed for accuracy by actuaries working on behalf of your Court-appointed Representatives and counsel to CAW - Canada. The personal data used to calculate your Compensation Claim is from Nortel Canada's records. The methodology and assumptions on which the actuarial valuations have been based (including increases to your Compensation Claim relating to income tax gross up³ and administrative gross up⁴ as applicable) have been approved by the Court and cannot be modified. The Mercer 2011 Valuations ("Valuation of Non-Pension Benefits for Claims Purposes as at the Determination Date by Mercer dated September 2011" and "Valuation of Non-Registered Pension Benefits and loss of Registered Pension Benefit Accruals for Claims Purposes as at the Determination Date by Mercer dated September 2011") will provide further details on the post retirement benefits and non-registered plans and the assumptions used to calculate these claims. These Mercer 2011 Valuations and related Court-approved assumptions can be viewed at www.ey.com/ca/nortel. Your Representative Legal Counsel have prepared FAQ's/Questions and Answers regarding these reports and assumptions. Their contact information can be found at the end of this letter.

[Variable print – for employees with a non-pension benefit (LTDs included)]

If you receive any payments from the Health & Welfare Trust (the "HWT"), the total of the HWT payments received will be subtracted from your Compensation Claim.

[Variable print — for LTD employees, SIB's and STB's in receipt]

You may have previously received a Beneficiary Estimated Allocation Statement ("BEAS") regarding your estimated allocation of the HWT assets. The value of your HWT claims on the BEAS is different from the value for those same benefits in this Information Statement Package. The value in the Information Statement Package is different because different determination dates are used in the actuarial assumptions and the data is updated to December 31, 2010.

[Variable print – for transferred/declined]

A claim for lost registered pension accrual during your Court-approved notice period and using the Court-approved Termination and Severance Claim Methodology has been calculated to reflect either:

- a) The increased pension amount, if any, you would have received under the defined benefit plan; or
- b) Nortel Canada's contribution under the defined contribution plan.

The methodology and assumptions on which the actuarial valuations have been based are approved by the Court and cannot be modified. You can view additional details about the calculations, including the applicable Court-approved assumptions, at www.ey.com/ca/nortel.

³An additional 11.1% of your applicable non-registered pension plan claims, survivor benefit claims, life claims and lost registered pension accrual claim has been added in recognition of the taxable nature of these claims. The 11.1% is equivalent to a net effective income tax gross up of 10%.

⁴An additional 10% of your medical and dental claims has been added in recognition of administrative costs.

[Variable LETTER print – for Patent and Terminated employees including lost pension]

Nortel Canada's records indicate that you were terminated and have not received all of your severance pay:

- a) If you received notice of termination prior to January 14, 2009, your Base Severance Claim⁵ is based on any balance owing under your severance agreement or collective bargaining agreement with Nortel Canada, calculated based on such agreement and using the Court-approved Termination and Severance Claim Methodology;
- b) If you received notice of termination on/after January 14, 2009, your Base Severance Claim⁵ has been calculated using data from Nortel Canada's records and the Court-approved Termination and Severance Claim Methodology; or
- c) If you were on long-term disability as at December 31, 2010, your Base Severance Claim⁵ has been calculated using a termination date of December 31, 2010, data from Nortel Canada's records and the Court-approved Termination and Severance Claim Methodology.

[Variable Print – Print only for non-LTD]

A claim for lost registered pension accrual during your Court-approved notice period and using the Court-approved Termination and Severance Claim Methodology has been calculated to reflect either:

- a) The increased pension amount, if any, you would have received under the defined benefit plan; or
- b) Nortel Canada's contribution under the defined contribution plan.

The methodology and assumptions on which the actuarial valuations have been based are approved by the Court and cannot be modified.

[Variable Print - Print only for LTD]

A claim for lost registered pension accrual has been calculated to reflect either:

- a) The increased pension amount, if any, you would have received under the defined benefit plan had you retired at age 65 instead of December 31, 2010; or
- b) Nortel Canada's contribution under the defined contribution plan from December 31, 2010 up to age 65.

The methodology and assumptions on which the actuarial valuations have been based are approved by the Court and cannot be modified.

[Variable print – for all Patent and Terminated employees including lost pension]

Your Patent Award Claim has been calculated based on Nortel Canada's patent program, Court-approved assumptions and using data from Nortel Canada's records.

All assumptions included in your Patent Award Claim and Termination and Severance Claim Methodology have been approved by the Court and cannot be modified. You can view additional details about the calculations, including the applicable Court-approved assumptions, at www.ey.com/ca/nortel.

⁵ Your Base Severance Claim is calculated in the Personal Detailed Base Severance Claim Calculation based on the Compensation Claims Methodology and set out in the table included in *Form A*.

What do you need to do now?

Form A - Your Compensation Claim Amount

Your Compensation Claim amount set out on *Form A* will be accepted as your Compensation Claim in Nortel Canada's CCAA proceedings for all purposes and will **only** be modified if you submit corrections to the personal information on *Form B* **and** these corrections are accepted by the Monitor. *Note:* Not all data corrections will change the amount of your Compensation Claim. For example, corrections to your name or ID will not change the amount.

Form B - Personal Information Change Form

This form contains personal information applicable to you and your Compensation Claim, based on Nortel Canada's records.

Please review carefully the information contained in *Form B* and read the *Guide to Using Form B* included in your package for further information. This is your opportunity to correct any errors in the personal information applicable to your Compensation Claim.

1. ***If the information is correct:*** You do not have to do anything more with respect to this information or to establish your claim. Your Compensation Claim as set out in *Form A* will be accepted in the CCAA proceedings based on the information in *Form B*.
2. ***If you have any changes or corrections to the information:*** You must return *Form B* to the Monitor (using contact information listed below) with your changes clearly marked, and enclose any applicable supporting documentation you have for those changes. If necessary, use an additional piece of paper to describe your changes. See the *Guide to Using Form B* for examples of supporting documentation acceptable to the Monitor.

If you do not return any corrections to *Form B* by December 30, 2011 at 4:00 p.m. (Eastern Standard Time) (the "Bar Date"), the information contained in *Form B* will be deemed to be correct and complete in all respects and the Compensation Claim set out in *Form A* will be your Compensation Claim against Nortel Canada for all purposes.

If changes to the information in *Form B* are accepted by the Monitor, and result in a change in your Compensation Claim amount as set out in *Form A*, a Revised Information Statement (including *Form A* and *Form B*) will be generated and mailed to you. If the changes do not result in a change to your Compensation Claim amount, you will receive a Notice of Acceptance (Personal Information) to this effect.

If the changes to the information in *Form B* are not accepted by the Monitor, you will receive a Notice of Disallowance (Personal Information) to this effect. For further information regarding the resolution of claims, please refer to the Compensation Claims Procedure Order on the Monitor's website.

Copies of any corrections received by the Monitor and responses to those corrections by the Monitor will also be sent to your Representative Legal Counsel.

You can expect to receive such communications from the Monitor no earlier than 90 days after the Bar Date.

3. **If you believe you have other claims not listed on *Form A*:** You will have to complete *Form C – Canadian Compensation Proof of Claim re: Other Compensation Claims* and submit it to the Monitor by the Bar Date of December 30, 2011. Information with respect to *Form C* is contained in the *Guide to Completing Form C*. **Please note that there are deadlines and restrictions applicable to the submission of *Form C*, as described in *Guide to Completing Form C*.**

If you have any additional questions, contact your Representative Legal Counsel. Please refer to the contact information at the end of this letter.

Deadline for Submission of Changes or Corrections

You must send any corrections to the information in *Form B* **no later than December 30, 2011 at 4:00 p.m.** (Eastern Standard Time) by mail, by fax, or by sending a scanned copy by email to:

Ernst & Young Inc.
222 Bay St., P.O. Box 251
Toronto-Dominion Centre
Toronto, ON M5K 1J7 CANADA
Attention: Nortel Claims
Fax: 416-943-2808 or e-mail: nortel.monitor@ca.ey.com

Copies of any corrections received by the Monitor and responses to those corrections by the Monitor will also be sent to your Representative Legal Counsel.

If you do not return your corrections to *Form B* by December 30, 2011 at 4:00 p.m. (Eastern Standard Time), the information contained in *Form B* will be deemed to be correct and complete in all respects and the Compensation Claim set out in *Form A* will be your Compensation Claim against Nortel Canada for all purposes.

You will not have another opportunity to make corrections.

Distributions

You will eventually receive payments from Nortel Canada. A payment, or distribution, occurs when some of the money from Nortel Canada is distributed among people who have claims against Nortel Canada. Since Nortel Canada is insolvent you will receive only a percentage of the full value of your Compensation Claim, in the form of one or more payments of money from the Nortel Canada estate. At this point, the timing and the amount is not yet known, but you will receive further information during the claims process to keep you up to date.

Payments will be subject to statutory withholdings if applicable.

Please ensure that the contact details the Monitor has on file for you remain current. **If your mailing address changes** please phone, mail, fax or email your new address, along with your name and ID number (which you will find at the top of the page) to the Monitor using the contact details noted below. It is your responsibility to keep this information up to date.

If you have any questions

Please contact:

- Monitor at 1-866-942-7177 or 416-943-4439 or email the Monitor at nortel.monitor@ca.ey.com.
- Court-appointed Representative Counsel for Former Employees, LTD Beneficiaries: Koskie Minsky at 1.866.777.6344 or email: nortel@kmlaw.ca
- Court-appointed Representative Counsel for Continuing and Transferred employees: Nelligan O'Brien Payne at 1-877-542-9254 or email: ncce@nelligan.ca
- CAW – Canada: Barry E. Wadsworth, Associate Counsel at 416-495-3776 or email: linda.cantin@kaw.ca

Form A - Your Compensation Claim Amount

Your Compensation Claim Amount

The table below lists the Compensation Claims that Nortel Canada believes you are entitled to. The valuation of those claims is in accordance with the Court-approved Compensation Claims Methodology and based on the personal information listed in *Form B*. Certain of the benefit claims listed below represent the actuarially determined present value of such claims.

If you believe that there are other claims not listed on this *Form A*, you will have to complete *Form C*.

Description	Your Claim Amount ¹
Base Severance Claim ²	<SEVCLAIM>><SURCUR>
Severance Claim – Lost Pension Accrual	<PENACC>>
Severance Claim – Pension Equivalent ³	<SPENEQ>>
LTD loss in pension value under the registered pension plan after December 31, 2010	<LOSSPEN>>
Nortel Networks Limited Excess Plan – Part I ("Excess Plan – Part I")	<ALEXC>>
Nortel Networks Limited Excess Plan – Part II ("Excess Plan- Part II")	<ALEXC>>
Nortel Networks Limited Transitional Retirement Allowance Plan ("TRA")	<ALTRA >
Nortel Networks Limited Retirement Allowance Plan ("RAP")	<ALRAP>>
Supplementary Executive Retirement Plan ("SERP")	<ALSERP1>>
Nortel International Pension Plan ("IPP")	<ALIPP>>[USD]
Survivor Income Benefit ("SIB") / Survivor Transition Benefit ("STB") ⁴	<SIBSTBAMT><STBACC>
STB – Medical and Dental Accrual	<STB5YR>>
Pensioner Life ⁴ (including ADB if applicable)	<PENLIF>>
Post-retirement Medical & Dental	<NPMEDDEN>>
LTD Life ⁴ (including Basic, Optional, AD&D and Dependent, if applicable)	<NPLTDIL>>
LTD Income ⁴	<NPLTDINC>>
LTD Medical & Dental	<NPLTDM>>
Income Tax Gross Up ⁵	<TAXGU>
Income Tax Gross Up on IPP ⁵	<TAXGUUS\$> [USD]
Administrative Cost Gross Up ⁶	<ADMIN>
Patent Award Claim	<PATCLAIM>> [USD]
Less amount owed to Nortel Canada	(OVTPMT)
Aggregate Compensation Claim Amount⁷	<2W>CAD \$ <CLAIMCADN> US \$ <CLAIMUS>
Less amount owed to Nortel Canada	(SOVPMFT) <SOVCUR> ⁸

¹The total of all the payments that you receive from Nortel Canada will be reduced by payments made to you, if any, from the Hardship Fund.

[Variable print – for non-LTD employees with Severance claim]

²Your Base Severance Claim amount has been reduced by payments made to you, if any, from the Termination Fund. The Base Severance Claim amount does not include the pension accrual or other non-registered pension or post-retirement benefits you could have become entitled to at the end of your Court-approved notice period. If you become entitled to such benefits at the end of your Court-approved notice period, a claim for these benefits will be included in *Form A* as 'Pensioner life', 'Post-retirement Medical & Dental', 'Severance Claim – Lost Pension Accrual' and/or the applicable Non-Registered Pension Plan. Your personal detailed Base Severance Claim Calculation appears at the end of this *Form A*.

[Variable print – for LTD employees with Severance claim]

²Your Base Severance Claim amount has been reduced by payments made to you, if any, from the Termination Fund. The Base Severance Claim amount does not include the pension accrual or other non-registered pension or retiree benefits. As pursuant to the Court-approved Termination and Severance Claim Methodology you are assumed to remain on LTD benefits until you reach age 65, a benefit claim amount, as applicable, is included in *Form A* as 'Pensioner life', 'Post-retirement Medical & Dental', 'LTD loss in pension value under the registered pension plan after December 31, 2010' and/or any Non-Registered Pension Plan. Your personal detailed Base Severance Claim Calculation appears at the end of this *Form A*.

³As per your Collective Bargaining Agreement you are eligible for bridging and entitled to pension equivalent payments. A claim has been calculated by Mercer to represent the present value of these payments.

⁴Your Compensation Claim will be reduced by any payments received from the Health & Welfare Trust.

⁵An additional 11.1% of your applicable non-registered pension plan claims, survivor benefit claims, life claims and lost registered pension accrual claims has been added in recognition of the taxable nature of these claims. The 11.1% is equivalent to a net effective income tax gross up of 10%.

⁶An additional 10% of your medical and dental claims has been added in recognition of administrative costs.

[Variable print – FOOTPRTN – For employees with negative claims – CDN Only]

⁷A negative claim value indicates that the amount that you owe to Nortel Canada exceeds the Compensation Claim calculated for you.

[Variable print – FOOTPRTN – For employees with negative CDN claim and a USD Claim]

⁷A negative claim value indicates that the amount that you owe to Nortel Canada exceeds the Canadian dollar claim calculated for you. You may either: have a Compensation Claim if the negative CAD claim is offset by the USD claim; or owe an amount to Nortel Canada.

⁸Your Aggregate Compensation Claim Amount will be offset by the amount that you owe Nortel Canada.

[Variable print – for Employees with a Benefit Claim]

Nortel Canada's records indicate that: you received benefits (non-registered pension plans and post employment benefits, such as LTD, post-retirement and/or survivor benefits); were eligible to receive the benefit as at December 31, 2010; were on LTD at December 31, 2010; or became eligible to receive the benefit by the end of your severance or notice period. Your benefit claims have been calculated by Mercer (Canada) Limited ("Mercer"), the actuaries retained by Nortel Canada, and have been reviewed for accuracy by actuaries working on behalf of your Court-appointed Representatives and counsel to the CAW - Canada. The personal data used to calculate your Compensation Claim is from Nortel Canada's records. The methodology and assumptions on which the actuarial valuations have been based (including increases to your Compensation Claim relating to income tax gross up⁹ and administrative gross up¹⁰, as applicable) have been approved by the Court and cannot be modified. The Mercer 2011 Valuations ("Valuation of Non-Pension Benefits for Claims Purposes at the Determination Date by Mercer dated September 2011" and "Valuation of Non-Registered Pension Benefits and Loss of Registered Pension Benefit Accruals for Claims Purposes at the Determination Date by Mercer dated September 2011") will provide further details on the post retirement benefits and non-registered plans and the assumptions used to calculate these claims. These Mercer 2011 valuations and related Court-approved assumptions can be viewed at www.ey.com/ca/nortel. Your Representative Legal Counsel have prepared FAQ's/Questions and Answers regarding these reports and assumptions.

[Variable print – for LTD, SIB's and STB's in receipt]

You may have previously received a Beneficiary Estimated Allocation Statement ("BEAS") regarding your estimated allocation of the HWT assets. The value of your HWT claims on the BEAS is different from the value for those same benefits in this Information Statement Package. The value in the Information Statement Package is different because different determination dates are used in the actuarial assumptions and the data is updated to December 31, 2010.

[Variable print – for Terminated employees]

Nortel Canada's records indicate that you were terminated and have not received all of your severance pay:

- a) If you received notice of termination prior to January 14, 2009, your Base Severance Claim is based on any balance owing under your severance agreement or collective bargaining agreement with Nortel Canada, calculated based on such agreement and using the Court-approved Termination and Severance Claim Methodology;
- b) If you received notice of termination on/after January 14, 2009, your Base Severance Claim has been calculated using data from Nortel Canada's records and the Court-approved Termination and Severance Claim Methodology; or
- c) If you were on long-term disability as at December 31, 2010, your Base Severance Claim has been calculated using a termination date of December 31, 2010, data from Nortel Canada's records and the Court-approved Termination and Severance Claim Methodology.

[Variable Print - non-LTD with a lost pension accrual claim]

A claim for lost registered pension accrual during your Court-approved notice period and using the Court-approved Termination and Severance Claim Methodology has been calculated to reflect either:

⁹An additional 11.1% of your applicable non-registered pension plans claims, survivor benefit claims, life claims and lost registered pension accrual claims has been added in recognition of the taxable nature of these claims. The 11.1% is equivalent to a net effective income tax gross up of 10%.

¹⁰ An additional 10% of your medical and dental claims has been added in recognition of administrative costs.

- a) The increased pension amount, if any, you would have received under the defined benefit plan; or
- b) Nortel Canada's contribution under the defined contribution plan.

The methodology and assumptions on which the actuarial valuations have been based are approved by the Court and cannot be modified.

[Variable Print – LTD with a lost pension accrual claim]

A claim for lost registered pension accrual has been calculated to reflect either:

- a) The increased pension amount, if any, you would have received under the defined benefit plan had you retired at age 65 instead of December 31, 2010; or
- b) Nortel Canada's contribution under the defined contribution plan from December 31, 2010 up to age 65.

The methodology and assumptions on which the actuarial valuations have been based are approved by the Court and cannot be modified.

[Variable print – for Employees with a Patent Award Claim]

Your Patent Award Claim has been calculated based on Nortel Canada's patent program, Court-approved assumptions and using data from Nortel Canada's records. All assumptions included in the Patent Award Claim amount have been approved by the Court.

You can view additional details about the calculations, including the applicable Court-approved assumptions, at www.ey.com/ca/nortel.

[Variable print – for Transferred employees with a lost pension accrual claim]

A claim for lost registered pension accrual during your Court-approved notice period and using the Court-approved Termination and Severance Claim Methodology has been calculated to reflect either:

- a) The increased pension amount, if any, you would have received under the defined benefit plan; or
- b) Nortel Canada's contribution under the defined contribution plan.

The methodology and assumptions on which the actuarial valuations have been based are approved by the Court and cannot be modified. You can view additional details about the calculations, including the applicable Court-approved assumptions, at www.ey.com/ca/nortel.

Note: This Compensation Claims Process does not include claims for **the funding deficits** in the registered pension plans. Those claims have been made by the Administrator of the registered pension plan on behalf of all plan members. Any payments on those claims will be paid to the registered pension plans and will ultimately benefit the plan members. Any questions regarding your registered pension plans should be directed to Morneau Shepell Ltd.: website: www.pensionwindups.morneausobeco.com, phone: Negotiated Plan: 1-877-392-2073, phone: Managerial Plan: 1-877-392-2074, email: nortelwindup@morneausobeco.com

Personal Detailed Base Severance Claim Calculation Based on the Compensation Claims Methodology¹

Base Weekly Salary = Annual Salary (line 67) ÷ 52	\$100,000 ÷ 52	\$ 1,923.08	A
Years of Service = (Termination Date (Line 66) - Hire Date (line 65)) ÷ 365	(December 31, 2010 - January 1, 2000) ÷ 365	11.00	B
Methodology Notice Period= 3.3 Weeks x Years of service [Min 8; Max 78]	3.3 x 11.00	36.30	C
Severance Amount	36.30 x \$1,923.08	\$ 69,807.80	D=C*A
Employee benefit rate	5.14%		E
Employee benefits on Severance Amount	5.14% x \$69,807.80	\$ 3,588.12	F = E*D
Entitled statutory notice period (line 79)	8		G
Vacation Accrual = Annual Vacation Entitlement (line 81) ÷ 5 working days/week ÷ 52 weeks/year	20 ÷ 5 ÷ 52		H
Vacation pay on outstanding ESA Minimum Notice Period	8 x 20 ÷ 5 ÷ 52 x \$1,923.08	\$ 1,183.43	I = G*H*A
Less : Termination Fund Payment		\$ (3,000.00)	J
Total Base Severance Claim		\$ 71,579.35	K =D+F+I-J

[Variable print – for non-LTD employees with severance claim]

¹This calculation table only shows the Base Severance Claim amount and does not illustrate the lost pension accrual or other non-registered pension or retiree benefits you could have become entitled to at the end of your Court-approved Notice Period. If you become entitled to such benefits at the end of your Court-approved Notice Period, a claim for these benefits will be included in *Form A* as 'Pensioner Life', 'Post-retirement Medical & Dental', 'Severance Claim – Lost Pension Accrual' and/or the applicable Non-Registered Pension Plan.

[Variable print –for LTD employees]

¹This calculation table only shows the Base Severance Claim amount. The Base Severance Claim amount does not include the lost pension accrual or other non-registered pension or retiree benefits. As pursuant to the Court-approved Termination and Severance Claim Methodology you are assumed to remain on LTD benefits until you are age 65, a benefit claim amount, as applicable, is included in *Form A* as 'Pensioner Life', 'Post-retirement Medical & Dental', 'LTD loss in pension value under the registered pension plan after December 31, 2010' and/or the applicable Non-Registered Pension Plan.

Form B - Your Personal Information Change Form

The Compensation Claim amount set out in *Form A* will **only be modified** if you submit corrections to the personal information that Nortel Canada has on file for you that are listed below **and** those corrections are accepted by the Monitor. Please refer to the *Guide to Using Form B* for further information on each line item listed in the chart below and suggested documentation that would be acceptable to the Monitor to support any corrections you make. *Note:* Not all data corrections will change the amount of your Compensation Claim. For example, corrections to your name or ID will not change the amount.

The line numbers in this *Form B* correspond to the line numbers in *Guide to Using Form B*. As this is a personalized data form, *Form B* will contain only those line items that pertain to your situation.

If you do not return your data corrections and supporting information to the Monitor by December 30, 2011 at 4:00 p.m. (Eastern Standard Time), the information contained in *Form B* will be deemed to be correct and complete in all respects and the Compensation Claim set out in *Form A* will be your Compensation Claim against Nortel Canada for all purposes.

Line #	Personal Information	Details per Nortel Canada's Records as at December 31, 2010	Corrections, if any
1	Last Canadian employer of record	<ENTITY>	
2	Name	<NAME>	
3	ID	<EEID>	
4	Gender	<GENDER>	
5	Year of birth	<DOB>	
6	Is the Claimant <FNAME> <LNAME>, deceased? (If so, provide date of death)	No	
7	Name of union, if applicable	<UNIONST>>	
8	Was the spouse at the date of your retirement, still your spouse as of December 31, 2010 and alive as of December 31, 2010?	Yes	
9	Spousal Year of Birth	<ESP BIRTH >	
10	Continuous Service Date ("CSD")	<EHIRE >	
11	Benefit group for Pension purposes	<BENGRP>>	
12	Year commenced Short Term Disability	<DODISP>>	
13	Pensionable service	<PENSVC>	
14	Grandfathered status at December 31, 2007 ¹ for Registered Pension purposes	<GFSTAT07>>	

<SEQNO>

Line #	Personal Information	Details per Nortel Canada's Records as at December 31, 2010	Corrections, if any
15	Final average earnings / Best average earnings	<FAEBAE>>	
16	Best average earnings at December 31, 1998	<BAE98>>	
17	Accumulated Percentage Credits	<PSP>>	
18	Accumulated Percentage Credits as at December 31, 1998	<PSP98>>>	
19	2010 Monthly disability income	<DISPINC>	
20	2010 LTD COLA / non-COLA	<LTDIND>	
21	LTD medical plan coverage option	<MEDLEV1>	
22	LTD medical plan option	<MEDCOV1>	
23	LTD dental plan coverage option	<DENLEV1>	
24	LTD dental plan option	<DENCOV1>	
25	LTD basic life insurance amount ¹	<BLIF>	
26	LTD optional life insurance	<OLIF>	
27	LTD additional accidental death & dismemberment amount ¹	<ADDAMT>	
28	LTD dependent life insurance amount	<DLIF>	
29	LTD monthly STB amount ¹	<STBAMT>>	
30	At December 31, 2010, this is the province in which you had health care coverage	<PROVRES>	
31	Pension form for Excess Plan Pension	<PENFORM1>>	
32	Pension form for SERP Plan	<PENFORM2>>	
33	Receiving joint and Survivor pension under the registered pension plan	<PENFORM3>>	
34	Excess Plan Part I monthly pension at January 14, 2009 eligible for indexing	<EXCESSI>>	
35	Excess Plan Part I monthly pension at January 14, 2009 not eligible for indexing	<EXCESSNI>>	
36	Excess Plan Part II monthly pension at January 14, 2009	<EXCESSI>>	
37	Annual indexing rate on Excess Plan Part II pension	<EXINDEX>>	
38	TRA/RAP Lump Sum	<LSTRA><LSRAP>	

<SEQNO>

Line #	Personal Information	Details per Nortel Canada's Records as at December 31, 2010	Corrections, if any
39	EXCESS Lump Sum	<LSEEXEC>	
40	SERP Lump Sum	<LSSERP>	
41	Gross monthly TRA / RAP payment	<MTHRTB>	
42	TRA / RAP payment / benefit end date	<ESTOP>	
43	Final month TRA / RAP residual payment	<MTHRES>>>	
44	Gross monthly SERP pension	<MTHSERP1>>	
45	Deceased pensioner date of death	<EDEATH>>>	
46	Gross monthly SIB / STB amount	<MTHSIBSTB>>	
47	Lump-sum STB amount ¹	<LSSTB>>	
48	STB end date ¹	<STBEND>>	
49	Retiree medical / dental plan ¹	<MEDCOV2>	
50	Retiree medical / dental plan coverage option	<MEDLEV2>>	
51	Current retiree life insurance amount at December 31, 2010 ¹	<RETLAMTC>	
52	Ultimate retiree life insurance amount ¹	<RETLAMTU>>	
53	Annual retiree health spending account amount at December 31, 2010 ¹	<HSAAMT>>	
54	Additional Death Benefit Amount	<ADB>	
55	Earliest Enhanced retirement date	<EUNRED>>	
56	Total monthly deferred normal retirement pension under Part I of the Managerial Plan and the Excess Plan <ul style="list-style-type: none"> • Basic • Additional Eligible • Additional Non-eligible Total 	<BASIC> <ADDI>> <ADDNI>> <hr/> <DEFTOTAL>>	
57	Total monthly deferred normal retirement pension under Part II of the Managerial Plan and the	<BASIC>>	

<SEQNO>

Line #	Personal Information	Details per Nortel Canada's Records as at December 31, 2010	Corrections, if any
	Excess Plan		
58	Monthly deferred normal retirement pension payable from SERP	<MTHSERP1>>	
59	IPP Pensionable Service	<PENSVC>	
60	Termination Date (used for IPP FAE)	<ETERM>	
61	Transfer Country	<COUNTRY>	
62	Current Value of the IPP reductions of the Transfer Country	<IPPCVLOC >	
63	Annual indexing rate before age 65	<PREIDX>	
64	Annual indexing rate after age 65	<POSTIDX>>	
65	Date of hire only for severance calculation purposes is based on - <HIREC>	<SEVHIRE>	
66	Date of termination of employment	<SEVTERM>	
67	Annual salary	<SEVRATE>	
68	Bi-Weekly Salary	<SEVRATEB>	
69	Standard Weekly Working Hours	<STDHRS>	
70	Union Cost of Living Adjustment (COLA) for Severance Purposes	<COLA>	
71	Notice Date	<NOTDAT>	
72	Notice Period per Termination Agreement	<NOTAGR>	
73	Termination Agreement Start Date	<BRST>	
74	Termination Agreement End Date	<BREND>	
75	# of Weeks per Agreement ¹	<CONT>	
76	Last Payment Date	<LSTPMT>	
77	Severance amount per your termination agreement with Nortel Canada	<SEVAGR><SEVCUR>>>	
78	Termination payments made by Nortel Canada (Note: This amount has already been reduced from your claim value)	<SEVPARTPAY>	
79	Entitled statutory notice period ¹	<ESA>	
80	Entitled Employment	<SESASEV>	

<SEQNO>

Line #	Personal Information	Details per Nortel Canada's Records as at December 31, 2010	Corrections, if any
	<i>Standards Act Statutory Severance¹ (Ontario only)</i>		
81	Annual Vacation Entitlement	<VACA>	
82	Registered Pension Plan	<RPP >	
83	Name of company to which you were offered a deal as part of a transaction	<CO>	
84	Payment received from Termination Fund (<i>Note: This amount has already been reduced from your claim value</i>)	<TERMFUND>	
85	Disclosure Number for Patent Filing Awards	<DISCF>	
86	Disclosure Number for Patent Issuance Awards	<DISCI>	
87	Cumulative Issuance Status as at December 31, 2009	<PATSTAT>>	
88	Amount owed to Nortel Canada (<i>Note: This amount has already been reduced from your claim value</i>)	<OVTPMT>	
89.	Amount owed to Nortel Canada (local currency)	<OVOMTF><SOVCUR>	

¹ If this is incorrect, there is other personal information that may require correction. Please refer to the *Guide to Using Form B* for further detail.

<4A>Confirming Changes or Corrections to My Personal Information

1. If you AGREE with all of the information contained in this *Form B*, you do not need to sign or return a copy of *Form B*. No further action is required with respect to your Compensation Claim.
2. If you have CHANGES OR CORRECTIONS to any of the information contained in *Form B*, you must make your corrections on *Form B* in the column labeled "Corrections, if any", complete the following section, and return all pages of this *Form B*, along with your supporting documentation. Changes or corrections without appropriate supporting documentation as required by the *Guide to Using Form B* may not be accepted by the Monitor.

If you do not return your changes or corrections to *Form B* by December 30, 2011 at 4:00 p.m. (Eastern Standard Time) (the "Bar Date"), the information contained in *Form B* will be deemed to be correct and complete in all respects and the Compensation Claim set out in *Form A* will be your Compensation Claim against Nortel Canada for all purposes.

If changes to the information in *Form B* are accepted by the Monitor, and result in a change in your Compensation Claim amount as set out in *Form A*, a Revised Information Statement (including *Form A* and *Form B*) will be generated and mailed to you. If the changes do not result in a change to your Compensation Claim amount, you will receive a Notice of Acceptance (Personal Information) to this effect.

If the changes to the information in *Form B* are not accepted by the Monitor, you will receive a Notice of Disallowance (Personal Information) to this effect. For further information regarding the resolution of claims, please refer to the Compensation Claims Procedure Order on the Monitor's website.

Copies of any corrections received by the Monitor and responses to those corrections by the Monitor will also be sent to your Representative Legal Counsel.

You can expect to receive such communications from the Monitor no earlier than 90 days after the Bar Date.

3. If you believe that there are other claims not listed on *Form A*, you will have to complete *Form C— Canadian Compensation Proof of Claim re: Other Compensation Claims* and submit it to the Monitor by the Bar Date. Information with respect to *Form C* is contained in the *Guide to Completing Form C*. **Please note that there are deadlines and restrictions applicable to the submission of *Form C*, as described in *Guide to Completing Form C*.**

IMPORTANT: If you do not return any corrections by December 30, 2011 at 4:00 p.m. (Eastern Standard Time) together with supporting documentation, the information contained in this *Form B* will be deemed to be correct and complete in all respects and the Compensation Claim set out in *Form A* will be your Compensation Claim against Nortel Canada for all purposes.

You will not have another opportunity to make corrections.

Please retain a copy for your records.

I confirm the truth of the corrections made by me to the information in this *Form B*:

Signature

Date

Signature of witness
(other than your spouse or children)

Name of witness (print)

Contact information in the event I need to be reached to clarify any changes:

Email address

()
Daytime Phone number

()
Alternate phone number

()
Alternate phone number

Authorized Representative

To be completed ONLY if you are completing and signing this *Form B* on behalf of a Nortel Canada claimant and you are **one of the following**;

- Continuing/non-continuing Power of Attorney for Property; or
- Estate Trustee/Administrator/Executor.

Please print your full name, address, telephone number, and email address below. In addition to this *Form B*, please also send us a notarized copy of the Power of Attorney documents, certificate of appointment of estate trustee, a notarized copy of the last will and testament naming you the estate trustee/executor or other documents acceptable to the Monitor. All copies must be notarized by a Notary Public.

Representative's Name	
Representative's Address	
Representative's Telephone Number	
Representative's Email Address	

Guide to Using Form B

The following two tables are to help you identify which line items may appear in your *Form B* based on your status and eligibility for a claim. However, as *Form B* has been personalized according to your specific circumstances, not all line numbers in this table are relevant for your calculation and therefore may not appear in *Form B*.

The methodology used to determine the data points that are necessary to calculate the claims that appear in *Form A* has been prepared with the input of your Court-appointed Representatives, your Court-appointed Representative Legal Counsel, counsel to CAW-Canada, and their actuarial and financial advisors.

Member Status	Line #	Additional Line # for these specific situations listed below:						
	All Claims	SERP	RAP	TRA or Excess Plan and Member of Part I of the Managerial and Non-negotiated Pension Plan	Excess Plan and Member of Part II of the Managerial and Non-negotiated Pension Plan	Eligible for Post-Retirement Benefits	Severance Claim or Termination and Severance Claim Methodology	Patent Claim
Employees affected by a deal	1-6,88,89	13-15, 40	7,11, 13	11, 13-15, 38, 39	13 -18, 39	10, 30, 49, 51-53	7,65-84	85-87
Pre-filing terminated employees with an outstanding severance claim								
Post-filing terminated employee								
LTD Claimants	1-6 12, 19-29	13-15	7,11, 13	11, 13-15	13 -18	10, 30, 49, 51-53	7, 65-84	85-87

Member Status	Line #	Additional Lines # for these specific situations listed below:						
	All Claims	SERP	Excess and Part I Member of the Managerial and Non-negotiated Pension Plan	Excess and Part II Member of the Managerial and Non-negotiated Pension Plan	TRA/ RAP	SIB/ STB in pay or STB in accrual	Post-Retirement Benefits	Patent Claim
Survivor Beneficiaries	1-6	44	34, 35, 39	36, 37, 39	38, 41-43	46-48	30, 49, 50,53	
Pensioner	1-6,45, 88,89	8, 9, 32, 40,44	8, 9, 31, 34, 35, 39	8, 9, 31, 36, 37, 39	38, 41-43	8,9, 46, 47	8, 9, 30, 33, 49-54	85-87
Deferred Pensioner	1-6, 85	58	55, 56	55, 57, 63, 64				
IPP	15, 59- 62,88, 89							

The following table explains what information appears on the line numbers in *Form B* and what documents can be used to correct a line number in *Form B*. The line numbers in this table correspond to the line numbers in *Form B*.

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
1	Last Canadian Employer of Record	If you were already in receipt of a benefit, or are a deferred pensioner, this is set out in your Retirement package. Otherwise, it is your last Canadian employer (or its successor) as per Nortel Canada's Records. If it is unknown, or is no longer an existing entity, Nortel Networks Limited will be used.	<ul style="list-style-type: none"> • Termination Letter; • Pay stub from last year of employment; or • Retirement Package.
2	Name	<p>This is the person who will receive payments (if any) from the CCAA Proceedings. This could be the name of the Nortel Canada Employee or the name of the Survivor that is eligible for a survivor benefit.</p> <p>If Claimant is deceased, see line 6.</p>	<ul style="list-style-type: none"> • Copy of any federal or provincial government issued document showing correct spelling of name. • Approval of legal name change
3	ID	The Claimant's Nortel Canada Employee Global Identification or the beneficiary's annuitant number.	<ul style="list-style-type: none"> • Any Nortel Canada communication with your employee ID; • Nortel Canada pay stub; or • Sun Life communication for your Annuitant number.
4	Gender	Gender	<ul style="list-style-type: none"> • Copy of any federal or provincial government issued document showing gender.
5	Year of birth	Year of Birth	<ul style="list-style-type: none"> • Copy of any federal or provincial government issued document showing birth year

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
6	Is the Claimant deceased? (If so, provide date of death)	<p>If the Claimant is deceased, any payments will be payable to the estate of the Claimant. If there is a will, or if the Claimant died intestate, the executor/estate /administrator /trustee must provide the Monitor with the appropriate documentation.</p> <p>Provide the date of death in the corrections column.</p> <p>Note: The Compensation Claim is valued based on the assumption the Claimant is alive.</p>	<ul style="list-style-type: none"> • Death Certificate, Notarized copy of the Claimant's Will (including the acceptance of appointment of the executor); or • Certificate of appointment of the Estate Trustee with/without a will
7	Name of union	<p>Benefits vary based on your union/non-union membership. If you are/were a union member, your options are:</p> <ul style="list-style-type: none"> • CAW; • ATES; • CUCW#1 (Teamsters Office and Teamsters Hourly; formerly COEU); or • Divested Union (you were a member of a divested union, such as CEP#9, USWA or CUCW#2, and in receipt of either STB or LTD at the time the business unit/union was divested.) <p>Union local # is not required.</p>	<ul style="list-style-type: none"> • Any proof of Union Membership
8	Was the spouse at the date of your Retirement, still your spouse as of December 31, 2010 and alive as of December 31, 2010?	Based on Nortel Canada records, you elected Joint and Survivor as the pension form for your registered pension plan, excess plan or SERP plan; and/or elected Family coverage for your post retirement coverage. You must advise the Monitor if there has been either a marriage breakdown since your date of retirement or if your spouse has passed away on or before December 31, 2010.	<ul style="list-style-type: none"> • No additional documents required as proof. The returned correction on your signed personal data form is sufficient.
9	Spousal Year of Birth	<p>This is the year of birth for your spouse as per Nortel Canada's Records.</p> <p>If your form shows "unknown", you must correct and submit the necessary documentation to the Monitor.</p>	<ul style="list-style-type: none"> • Copy of any government issued identification

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
10	Continuous Service Date	<p>This is date used to determine post retirement benefit eligibility as per the plan documents.</p> <p>It is the Continuous Service Date ("CSD") as communicated by Nortel Canada.</p>	<ul style="list-style-type: none"> December 31, 2009 Pension Statements Other documents from Nortel Canada showing CSD
11	Benefit group for Pension purposes	<p>For union members, this is determined as indicated in your pension plan.</p> <p>For non-union members, this was determined by the Company based on your employment range level. This is provided for information purposes as it would not have been previously communicated.</p>	<ul style="list-style-type: none"> For union members: December 31, 2009 Pension Statement For non-union members, this is based on your personal data
12	Year commenced Short Term disability	The year in which you began short term disability.	<ul style="list-style-type: none"> Disability Year as indicated on Sun Life Statements Disability claim statement
13	Pensionable service	<p>The service accrued under the defined benefit registered pensions used in determining the amount of pension and retirement benefits. This calculation includes your Notice Period, with the exception of LTD Claimants.</p> <p>For LTD Claimants, this is your pensionable service as at December 31, 2010.</p> <p>For those with an International Pension Plan ("IPP") claim, this is the pensionable service accrued while employed in the Transfer Country.</p> <p>Further details on the definition of eligible service can be found in your relevant pension plan documents/benefit package.</p>	<ul style="list-style-type: none"> December 31, 2009 Pension Statement plus last pay stub or other proof of employment with Nortel Canada in 2010

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
14	Grandfathered status at December 31, 2007 for Registered Pension purposes	<p>This criteria is as set out in the Capital Accumulation and Retirement Program ("CARP") changes that took effect January 1, 2008. You are a grandfathered Member of the Part I and Part II of the Managerial Pension Plan if, as at December 31, 2007 you were;</p> <ul style="list-style-type: none"> • At least 60 years old; or • Had at least 28 years of pensionable service; or • At least age 55 with at least 70 points (age plus years of pensionable service). <p>For Claimants on LTD as at December 31, 2007 and never returned to active status as at December 31, 2010, you were unaffected by the CARP amendments. Therefore, you are part of the same pension plan as you were as at December 31, 2007. This field is only relevant for those who became disabled after December 31, 2007 and those that return to active status prior to December 31, 2010.</p>	<ul style="list-style-type: none"> • If this is incorrect, also make appropriate correction to your year of birth (line 5) and/or pensionable service (line 13).

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
15	Final average earnings / Best average earnings	<p>Generally, 'final average earnings' is a measurement used under the Part II of the Managerial Pension Plan. It is the highest average earnings over a consecutive 3-year period in the last 10 years of service. Generally, 'best average earnings' is a measurement used under the Part I of the Managerial Pension Plan. It is the highest average earnings over a 3-year period out of all years of service.</p> <p>This calculation includes your Court-approved notice period, with the exception of LTD Claimants.</p> <p>For LTD Claimants, this is as at December 31, 2010. This also refers to your pre-disability earnings, not your LTD income.</p> <p>For those with a claim for IPP, the Best average earnings was converted into USD based on Nortel's foreign Exchange Rate Policy for IPP. For each calendar year the earnings are converted based on the arithmetic average of the foreign exchange rate on the first business day of each month. The best 36 consecutive months out of the last 60 months of employment, of the converted earnings, are used to calculate BAE.</p> <p>Further details regarding the definition of Earnings and calculation can be viewed in the pension plan documents.</p>	<ul style="list-style-type: none"> December 31, 2009 Pension Statement plus any adjustments for 2010 position/salary changes; or A pay stub from each of the 3 years IPP communication upon termination Income Tax Returns
16	Best average earnings at December 31, 1998	<p>Generally, 'best average earnings' is a measurement used under the Part I of the Managerial Pension Plan. It is the highest average earnings over a 3-year period out of all years of service.</p> <p>This only pertains to those who transferred from Part I to Part II of the Managerial Pension Plan, due to the plan amendment in January 1, 1999.</p> <p>For LTD beneficiaries, this is referring to your pre-disability earnings, not your LTD income.</p>	<ul style="list-style-type: none"> 1998 Pension Statement 1998 Pension Estimate

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
17	Accumulated Percentage Credits	<p>The accumulated percentage credits for the purpose of calculating the Cash Value under Part II of the Managerial Pension Plan.</p> <p>This calculation includes your Court-approved notice period, with the exception of LTD Claimants.</p> <p>For LTD Claimants, this is as at December 31, 2010.</p>	<ul style="list-style-type: none"> December 31, 2009 Pension Statement plus any adjustments for 2010
18	Accumulated Percentage Credits at December 31, 1998	<p>The accumulated percentage credits for the purpose of calculating the Cash Value under Part II of the Managerial Pension Plan</p> <p>This only pertains to those who transferred from Part I to Part II of the Managerial Pension Plan, due to the plan amendment in January 1, 1999.</p>	<ul style="list-style-type: none"> 1998 Pension Statement 1998 Pension Estimate
19	2010 monthly disability income	<p>The monthly income received directly from Sun Life, after all applicable benefit reductions, such as CPP, QPP and/or workers' compensation and before income tax deductions.</p>	<ul style="list-style-type: none"> 2010 disability claim statement; or any 2010 monthly disability cheque
20	2010 LTD COLA / non-COLA	<p>Certain disability income is adjusted annually for cost-of-living.</p> <p>COLA – means your income is adjusted for Cost of Living Adjustment.</p> <p>Non-COLA – means no adjustment for your income for Cost of Living Adjustment.</p> <p>For additional details, review your benefit package.</p>	<ul style="list-style-type: none"> Disability claim statement; or Copy of Benefits Enrolment Confirmation

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
21	LTD medical plan coverage option	<p>This is the level of coverage you selected under the medical plan the year you began short term disability. You could have selected:</p> <p>EE You only</p> <p>EE+CH You and your children and/or your spouse's children</p> <p>EE+SP You and your spouse</p> <p>EE+SP+CH You and your family (spouse and children, and/or spouse's children)</p> <p>Opted-out No coverage; You have opted out of the medical plan</p>	<ul style="list-style-type: none"> • Copy of Benefits Enrolment Confirmation • Copy of cheque stub from Sun Life showing a claim paid for you, your spouse and/or dependant to prove the level of coverage that you selected.
22	LTD medical plan option	<p>The coverage that you selected under the medical plan the year you began short term disability. You could have selected:</p> <p>Non-Union:</p> <ul style="list-style-type: none"> • Waived (no coverage). • Select • Plus; or • Comprehensive <p>Union:</p> <ul style="list-style-type: none"> • Waived (no coverage); or • Extended 	<ul style="list-style-type: none"> • Copy of Enrolment Form
23	LTD dental plan coverage level	<p>The level of coverage you selected under the dental plan (plus hearing and vision care) the year you began short term disability. You could have selected:</p> <p>EE You only</p> <p>EE +CH You and your children and/or your spouse's children</p> <p>EE+SP You and your spouse</p> <p>EE+SP +CH You and your family (spouse and children, and/or spouse's children)</p> <p>Opted-out No coverage; You have opted out of the dental plan</p>	<ul style="list-style-type: none"> • Copy of Benefit Enrolment Confirmation • Copy of cheque stub from Sun Life showing a claim paid for you, your spouse and/or dependant to prove the level of coverage that you selected.

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
24	LTD dental plan option	<p>The coverage selected under the dental plan (plus hearing and vision care) the year you began short term disability. You could have selected:</p> <p>Non-union:</p> <ul style="list-style-type: none"> • Waived (no coverage); • Plus; or • Comprehensive; <p>Union:</p> <ul style="list-style-type: none"> • Waived (no coverage); or • Dental 	<ul style="list-style-type: none"> • Copy of Benefit Enrolment Confirmation
25	LTD basic life insurance amount	<p>The basic life insurance amount payable if a LTD member dies while still on LTD. If you are a non-union member, this is 1 x Base Earnings as defined in the Nortel Health and Group Benefit Handbook.</p> <p>If you are a union member, it is based on your Benefit group for pension purpose (line 11).</p>	<p>If this is incorrect:</p> <ul style="list-style-type: none"> • Non-union members: also make appropriate corrections to your Annual Salary (line 67) • Union members: also make the appropriate corrections to your Benefit Group for pension purpose (line 11)
26	LTD optional life insurance amount	This is the level of optional life insurance amount you selected in the year of disability.	<ul style="list-style-type: none"> • Copy of Benefit Enrolment Confirmation
27	LTD additional accidental death & dismemberment amount	This is the accidental death & dismemberment amount payable if a LTD member dies while still on LTD in addition to the basic life amount. For example, if your handbook indicates 2 x basic, you will see 1 amount in line 25 and the same amount line 27, totalling 2 x basic. This is an optional coverage for non-union members and standard for union members.	<ul style="list-style-type: none"> • Non-union members: Copy of Benefit Enrolment Confirmation • Union members. If this is incorrect, make appropriate corrections to your basic life insurance (line 25)
28	LTD dependent life insurance amount	This is an optional plan and the amount shown represents the dependent life insurance coverage you have selected in the year of disability.	<ul style="list-style-type: none"> • Copy of Benefit Enrolment Confirmation
29	LTD monthly STB amount	This is a benefit only available to certain union members and certain retired members. This is the monthly amount for which you were eligible at the date of disability, based on your benefit group at that time.	<ul style="list-style-type: none"> • If this is incorrect, make appropriate corrections to your Benefit Group for pension purpose (line 11)

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
30	At December 31, 2010, this is the province in which you had health care coverage	This is the Claimant's province of residence as at December 31, 2010. If you are "Out of Country", it is assumed that you have no provincial medical coverage and therefore are not eligible for medical coverage under the Nortel health care plan. As a result no claim has been calculated for you related to medical coverage.	<ul style="list-style-type: none"> 2010 December Utility, home/internet/cable bill, 2010 Notice of Assessment
31.	Pension form for Excess Plan Pension	When you retired, you elected the following form of pension for your Excess plan: <ul style="list-style-type: none"> JS (Joint and Survivor); or LS (Life only) 	<ul style="list-style-type: none"> Copy of signed Election Form as provided in your retirement package
32	Pension form for SERP Pension	When you retired, you had the following form of pension for your SERP plan: <ul style="list-style-type: none"> JS (Joint and Survivor); AC (Annuity Certain); or LS (Life only) 	<ul style="list-style-type: none"> Copy of your Election form as provided in your retirement package
33	Receiving joint and Survivor pension under the registered pension plan	When you retired, you had the following form of pension for your registered pension plan: <ul style="list-style-type: none"> JS (Joint and Survivor); or LS (Life only) 	<ul style="list-style-type: none"> Copy of your Election form as provided in your retirement package
34	Excess Plan Part I monthly pension at January 14, 2009 eligible for indexing	The monthly portion of your pension payable from the Excess Plan that is subject to post retirement adjustments under Part I of the Managerial Plan	<ul style="list-style-type: none"> Copy of your signed election form as provided in your retirement package
35	Excess Plan Part I monthly pension at January 14, 2009 not eligible for indexing	The monthly portion of your pension payable from the Excess Plan that is not subject to any post retirement adjustments	<ul style="list-style-type: none"> Copy of your signed election form as provided in your retirement package
36	Excess Plan Part II monthly pension at January 14, 2009	The monthly amount of your pension payable from the Excess Plan with respect to your service under Part II of the Managerial Pension Plan	<ul style="list-style-type: none"> Copy of your signed election form as provided in your retirement package
37	Annual indexing rate on Excess Plan Part II pension	The annual rate of indexing on your Excess Plan for members of the Part II of the Managerial Pension Plan	<ul style="list-style-type: none"> Retirement package
38	TRA/RAP Lump sum	As per Nortel Canada's records, you chose a lump sum option on your retirement package. This is the amount as it appears in the Retirement package that has been previously communicated.	<ul style="list-style-type: none"> Retirement Package

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
39	EXCESS Lump sum	As per Nortel Canada's records, you chose a lump sum option on your retirement package. This is the amount as it appears in the Retirement package that has been previously communicated.	<ul style="list-style-type: none"> Retirement Package
40	SERP Lump sum	As per Nortel Canada's records, you choose a lump sum option on your retirement package. This is the amount as it appears in the Retirement package that has been previously communicated.	<ul style="list-style-type: none"> Retirement Package
41	Gross Monthly TRA / RAP payment	The monthly payment amount under the Transitional Retiring Allowance (TRA) or the Retiring Allowance Plan (RAP) that you are already receiving.	<ul style="list-style-type: none"> Retirement package, or Monthly cheque stub.
42	TRA / RAP payment / benefit end date	The originally scheduled final payment date of the TRA / RAP monthly payment.	<ul style="list-style-type: none"> Retirement package
43	Final month TRA / RAP residual payment	If you retired on or before July 2004, your initial payment could have been a partial payment. If this is the case, you will have a final month residual payment amount. This residual amount will not show on your Pension Statement. The residual payment payable in the final month of the TRA / RAP monthly payment, if any, as the plan intended. This does not represent the outstanding amount that is owing to you as a result of the company terminating the payments.	<ul style="list-style-type: none"> Retirement package and first payment
44	Gross Monthly SERP pension	Your monthly SERP pension	<ul style="list-style-type: none"> Retirement package; or Copy of payment stub
45	Deceased pensioner date of death	This is the date of death of the original Nortel Canada pension plan member.	<ul style="list-style-type: none"> Death certificate
46	Gross Monthly SIB / STB amount	<p>For a survivor: this is the amount that you were in receipt of, or entitled to receive, for a survivor income benefit or a survivor transition benefit amount.</p> <p>For union pensioners entitled to a survivor transition benefit: this is the amount that your survivor would be entitled to.</p>	<ul style="list-style-type: none"> Monthly benefit pay stub; or Bereavement letter from Nortel Canada
47	Lump-sum STB amount	The deceased member has chosen for the beneficiary to receive the Survivor Transition Benefit as a one-time lump sum rather than a monthly income benefit. The lump sum benefit is based on the deceased member's benefit group and as indicated in your CAW Benefit Booklet.	<ul style="list-style-type: none"> If this is incorrect, also make appropriate corrections to your Benefit Group for pension purpose (line 11).

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
48	STB end date	The date that the monthly STB income benefit will cease. Survivor transition benefits are provided for 60 months from the first of the month following the date of death, unless there are no eligible dependants. This date is provided in your bereavement letter.	<ul style="list-style-type: none"> • If this is incorrect, also make appropriate corrections to the deceased member's date of death (Line 45).

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
49	Retiree medical / dental plan	<p>In order to receive retirement medical coverage, you must have retired from Nortel Canada, have become eligible for retirement benefits by the end of your notice period or were on LTD as at December 31, 2010. The coverage is based on your pension plan enrolment, age and years of service. The retiree health care and life benefit plans are:</p> <ul style="list-style-type: none"> • GF - Traditional Program - Grandfathered Employees Pensioner health care plan • CATA - Traditional Program Retiree health care plan members eligible for Catastrophic Medical Program in addition to the HCSA; • HCSA - Health Care Spending Account - Traditional Program Retiree health care plan members eligible for HCSA only; or • No Coverage <p>Some of the reasons for you to have "No Coverage" are:</p> <ul style="list-style-type: none"> ○ You did not meet the eligibility requirements for continued medical/dental coverage under the CARP changes that were effective January 1, 2008; ○ You retired under the Investor Plan which had no retiree benefits; or ○ You were a union member and were under the Part II of the Negotiated Pension Plan which had no retiree benefits. <p>For Claimants on LTD as at December 31, 2007 and never returned to active status as at December 31, 2010, you were unaffected by the CARP amendments. Therefore, you are eligible for the same retiree health care and life benefits plan available to the pension plan you were a member of as at December 31, 2007. However, if the underlying coverage of the post-retirement plans has changed over time, your claim has been valued at the current plan coverage.</p> <p>The determination of your eligibility for your Retiree medical/dental plan coverage is described in further detail in Appendix A of the Mercer 2011 Non-Pension Benefits Valuation.</p>	<ul style="list-style-type: none"> • Retirement Package, if received • Otherwise, if this is incorrect, also make appropriate corrections to your year of birth (line 5), CSD (line 10), grandfathered status for Pension purposes (line 14), and RPP (line 82)

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
50	Retiree medical / dental plan coverage option	<p>For pensioners, this is the level of coverage you enrolled to receive under the retiree medical and dental plan:</p> <ul style="list-style-type: none"> • S - Single • F - Family; or • N - No Coverage. See line 49 for reasons why you may not have coverage. <p>If you are receiving survivor benefits, you will be indicated as receiving single coverage as this is the only level of coverage available to survivors.</p>	<ul style="list-style-type: none"> • Copy of Benefit Enrolment Confirmation; or • Copy of stub of benefit payment showing payment of a spousal claim
51	Current retiree life insurance amount at December 31, 2010	<p>The amount of your current retiree life insurance benefit at December 31, 2010.</p> <p>If you are non-union and in line 49, you have the indicator "GF", then your life insurance coverage at retirement began at your pre-retirement coverage amount, subject to applicable annual reductions.</p> <p>If Line 49 indicates CATA or HCSA - The amount shown will be \$35,000 if you chose both the life insurance and death benefit option; or \$10,000 if you chose just the death benefit option.</p> <p>For further details on the life insurance amounts and eligibilities, refer to Appendix A of the Mercer 2011 Non-Pension Benefits Valuation.</p>	<ul style="list-style-type: none"> • Retirement Package/benefit enrolment forms, if applicable • Any documents showing confirmation of coverage • Otherwise, if this is incorrect, also make necessary corrections to your Retiree medical/dental plan (line 49)
52	Ultimate retiree life insurance amount	<p>This amount is the ultimate – or lowest – amount the life insurance benefit will be, subject to applicable annual reductions. Depending on your year of retirement and pension plan, this may be equal to the current life insurance amount as shown on Line 51.</p> <p>For further details on the life insurance amounts and eligibilities, refer to Appendix A of the Mercer 2011 Non-Pension Benefits Valuation.</p>	<ul style="list-style-type: none"> • Retirement Package/benefit enrolment forms, if applicable • Any documents showing confirmation of coverage • Otherwise, if incorrect, also make necessary corrections to your Retiree medical/dental coverage (line 49)

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
53	Annual retiree health spending account amount at December 31, 2010	For retirees covered by the Health Care Spending Account plan, this represents the annual healthcare spending account allocation based on the number of years of service rendered at your retirement date. You would only receive this if you have been identified as having "HCSA" as your Retiree Medical/Dental plan (line 49). Refer to your Retiree Healthcare and Life Benefit booklet for more information.	<ul style="list-style-type: none"> If this is incorrect, make appropriate corrections to Retiree medical/dental coverage (line 49)
54	Additional Death Benefit Amount	This coverage is not related to the death benefit that is available in various retirement plans. This refers to an additional benefit that was grandfathered from a plan for certain retired Northern Electric Company former employees.	<ul style="list-style-type: none"> Pension Package Other documentation
55	Earliest Enhanced retirement date	The date you will be eligible to commence your deferred pension with no reduction or a subsidized early retirement reduction.	<ul style="list-style-type: none"> Pension package Pension Statement
56	Total monthly deferred normal retirement pension under Part I of the Managerial Plan and the Excess Plan	This is only relevant for those who have indicated in their Pension Package to Mercer prior to September 30, 2010 to be a deferred pensioner under Part I of the Managerial Pension Plan. As part of your pension is indexed based on the increase in the Consumer Price Index, your pension is split into three parts, the Basic, the eligible additional and the non-eligible pension. The total Part I monthly pension payable from the Managerial Pension Plan at your normal retirement date before the application of any maximum pension cap as defined under the Income Tax Act. The portion of the monthly pension that cannot be paid from the Managerial Pension Plan due to the maximum pension cap would be payable from the Excess Plan	<ul style="list-style-type: none"> Pension package
57	Total monthly deferred normal retirement pension under Part II of the Managerial Plan and the Excess Plan	This is only relevant for those who have indicated in their Pension Package to Mercer prior to September 30, 2010 to be a deferred pensioner under the Part II of the Managerial Pension Plan. This is the total monthly pension payable under Part II of the Managerial Pension Plan at your normal retirement date before the application of any maximum pension cap as defined under the Income Tax Act.	<ul style="list-style-type: none"> Pension package

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
58	Monthly deferred normal retirement pension payable from SERP	This is only relevant for those who have indicated in their Pension Package to Mercer prior to September 30, 2010 to be a deferred pensioner under the SERP pension plan. The portion of your monthly SERP pension at your normal retirement date	<ul style="list-style-type: none"> • Pension package
59	IPP Pensionable Service	This represents the pensionable service that is eligible for the International Pension Plan ("IPP").	<ul style="list-style-type: none"> • IPP Communication • 2007 IPP statements
60	Termination Date (used for IPP BAE)	This is the date you were terminated from Nortel Canada or any affiliates. Your BAE for IPP purposes takes into consideration all years of service up to your termination date. This date may be different from the end date used to calculate your IPP pensionable service if you continue to be employed by a Nortel affiliate after leaving the Transfer Country.	<ul style="list-style-type: none"> • Record of Employment or country equivalent • IPP Communication • Termination Letter • Termination Package
61	Transfer Country	Country eligible for IPP.	<ul style="list-style-type: none"> • 2007 IPP statements • IPP communication upon termination
62	Current Value of the IPP reductions in Transfer Country	<p>This is for information purposes only.</p> <p>This amount has been calculated by the actuaries, Mercer, based on the benefits available in the Transfer Country. As per the IPP, this is the amount that reduces the gross IPP amount.</p>	<p>For information purposes only. Can refer to the following documents for comparison:</p> <ul style="list-style-type: none"> • 2007 IPP statements, • IPP communication upon termination
63	Annual indexing rate before age 65	The annual increase in your Part II deferred monthly pension between your termination date and your normal retirement date of age 65	<ul style="list-style-type: none"> • Pension Package
64	Annual indexing rate after age 65	The annual increase in your Part II deferred monthly pension after your normal retirement date of age 65	<ul style="list-style-type: none"> • Pension Package

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
65	Date of hire only for severance calculation purposes	<p>Based on the Court-approved Termination and Severance Claim Methodology:</p> <ul style="list-style-type: none"> • Rehire Date (RHD) is used if you left, previously terminated or had a break in service from Nortel Canada each for a period greater than 3 months. Moving among Nortel entities does not, for this purpose, constitute leaving employment or a break in service; • Exception date as indicated in your employment contract/hire documents is used if the employment contract/hire documents specifically indicate a service date. For greater certainty, this does not preclude a Request for Correction by an Employee supported by a satisfactory evidence that establishes an exception date; otherwise • Continuous Service Date (CSD) is used. <p>Note: Service bridging applies to vacation and benefits ONLY</p>	<ul style="list-style-type: none"> • Letter of Offer or Employment Contract
66	Date of termination of employment	<p>This is either:</p> <ul style="list-style-type: none"> • Date indicated on your termination agreement/letter • For employees who transferred with a sale of a business unit, this is the date the transaction closed; or • For employees that terminated before January 14, 2009 and had an Special leave of absence prior to pension ("SPLA"), end date of your SPLA • For employees that were on LTD as at December 31, 2010, the termination date is December 31, 2010. 	<ul style="list-style-type: none"> • Termination Letter • Copy of your SPLA Letter
67	Annual salary	<p>For non-union employees: This is your annual salary at the date of your termination</p> <p>For non-union sales employees: This is your annual Targeted Total Compensation at the date of your termination</p> <p>For union employees: This is your annual salary (unadjusted for COLA) at the date of your termination</p> <p>For those on long-term disability: This is your annual salary at the date of your disability</p>	<ul style="list-style-type: none"> • Bi-weekly pay stubs for the last payroll prior to termination

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
68	Bi-Weekly Salary	For employees whose Termination Letter indicated a bi-weekly amount, this is the amount as set out in your Termination Letter.	<ul style="list-style-type: none"> • Bi-weekly pay stubs for the last payroll prior to termination • Termination Letter
69.	Standard Weekly Working Hours	The standard weekly working hours at the date of your termination.	<ul style="list-style-type: none"> • Pay stub
70.	Union Cost of Living Adjustment (COLA) for Severance Purposes	This is relevant for union members only. This is the annual COLA for the year of your termination.	<ul style="list-style-type: none"> • Pay stub
71	Notice Date	This pertains to those who were terminated from Nortel Canada prior to January 14, 2009 and those who were terminated after January 14, 2009 who were given working notice. This is the date that you were notified of your effective termination date.	<ul style="list-style-type: none"> • Termination Agreement/Letter
72	Notice Period per Termination Agreement	<p>This pertains to those who were terminated from Nortel Canada prior to January 14, 2009 and those who were terminated after January 14, 2009 who were given working notice. This is the notice period indicated in your termination letter.</p> <p>For Union members, this is the notice period as per your CBA.</p> <p>Note: The 60 day notice period is calendar days, which equates to 8.4 weeks.</p>	<ul style="list-style-type: none"> • Termination Agreement/Letter
73	Termination Agreement Start Date	This pertains to those who had a termination agreement prior to January 14, 2009. This is the first date of your payment as indicated in your Termination Agreement	<ul style="list-style-type: none"> • Termination Agreement/Letter
74	Termination Agreement End Date	<p>This pertains to those who had an agreement prior to January 14, 2009. This is the last date of your payment as indicated in your :</p> <ul style="list-style-type: none"> • Special leave of absence prior to pension("SPLA") Agreement; • Bridging Agreement; or • Approved Contingency Agreement 	<ul style="list-style-type: none"> • Termination Agreement/Letter
75	# of Weeks per Agreement	<p># of Weeks indicated in your:</p> <ul style="list-style-type: none"> • Approved Contingency Agreement; • Severance Weeks as per the Court Approved Termination and Severance Claim Methodology; • Severance Weeks per your Termination Letter or • Employment Contract. 	<ul style="list-style-type: none"> • Documents showing Nortel Canada approval of contingency weeks • Termination Letter • Employment Contract

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
76	Last Date of Payment	For those that were terminated before January 14, 2009, the date of the last payment period.	<ul style="list-style-type: none"> • Pay stubs • Bank statements
77	Severance Amount per your Agreement with Nortel Canada	<p>This is the severance amount that you have previously agreed, prior to January 14, 2009, as your termination/severance pay as per a:</p> <ul style="list-style-type: none"> • Termination Agreement; or • Settlement Agreement. 	<ul style="list-style-type: none"> • Termination Letter/ Agreement
78	Termination payments made by Nortel Canada	<p>For employees terminated prior to January 14, 2009, the last payroll period was:</p> <ul style="list-style-type: none"> • For employees on Special leave of absence prior to pension ("SPLA") or Salary continuance, January 2, 2009; • Otherwise, January 18, 2009. <p>For employees where their Notice Period is the ESA minimum, this is the severance amount that was paid by Nortel as a result of a prior severance.</p> <p><i>(Note: This amount has already been reduced from your claim value)</i></p>	<ul style="list-style-type: none"> • Pay stubs during your notice period • Bank statements
79	Entitled statutory notice period	This is the notice period, in weeks, that you were entitled to based on your years of service, any mass termination eligibility and the act(s) in your province that relate to employment or labours standards.	<ul style="list-style-type: none"> • If this is incorrect, also make appropriate corrections to your date of hire for severance purposes (line 65) and/or your Termination Date (line 66)
80	Entitled <i>Employment Standards Act</i> Statutory Severance	Only for Ontario. This is the number of weeks required under the <i>Employment Standards Act</i> for severance pay.	<ul style="list-style-type: none"> • If this is incorrect, also make appropriate corrections to your date of hire for severance purposes (line 65) and/or your Termination Date (line 66)

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
81	Annual Vacation Entitlement	<p>Depending on your particular employment arrangement, you were entitled to either:</p> <ul style="list-style-type: none"> • 15 days; • 20 days; • 25 days ; • The amount set out in your employment agreement; or • The number of days as indicated in your union benefit booklet. <p>Note: Service bridging applies to vacation and benefits ONLY</p>	<ul style="list-style-type: none"> • Based on your years of Service with Nortel Canada and Nortel Canada's vacation policy

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
82	Registered Pension Plan	<p>This data point is only required to be confirmed for those that are subject to a notice period as per the Court-approved Termination and Severance Claim Methodology. This is the plan membership as at the earlier of your termination or the date the deal closed (for those who transferred to a buyer), and September 30, 2010, whichever is earlier. Effective September 30, 2010, Nortel ceased to be plan administrator. Effective October 1, 2010 Morneau Shepell Ltd. (successor to Morneau Shepell LP) became the administrator of the pension plan.</p> <p>For all other individuals, your other data points are sufficient to re-confirm your membership in a registered pension plan.</p> <p>The pension plans are:</p> <ol style="list-style-type: none"> "Traditional program Part I" – Grandfathered and member of the Part I of the Managerial and non-negotiated Plan "Traditional program Part II" – Grandfathered and member of the Part II of the Managerial and non-negotiated Plan "Negotiated Part I" – Member of the Part I of the Negotiated Plan "Negotiated Part II (DCPP) Member of the Part II of the Negotiated Plan "DCPP (Part III) Previously Balanced" – was a Balanced Plan member and as a result of the 2007 CARP changes, became a DCPP member "DCPP (Part III) Previously Investor" – was an Investor Plan member and as a result of the 2007 CARP changes, became a DCPP member "DCPP/Non-grandfathered Part I" – was an Traditional program Part I member and as a result of the 2007 CARP changes, became a DCPP member "DCPP/Non-grandfathered Part II" – was an Traditional program Part I member and as a result of the 2007 CARP changes, became a DCPP member "DCPP (Part III)" – a member of the Part III of the Managerial and non-negotiated 	<ul style="list-style-type: none"> 2009 Pension Statement

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
83	Name of the company to which you were offered a deal as part of a transaction	This is the name of the company that you accepted employment with (or were offered employment by and declined) as a result of a transaction by Nortel Canada and the named company.	<ul style="list-style-type: none"> • Paystub from new company
84	Payment received from Termination Fund	Represents the \$3,000 payment to those former employees (including those employees on LTD) who were eligible for a Termination Fund Payment. Those that are eligible have already been notified (pursuant to the eligibility requirements that can be found on the Monitor's website). (Note: This amount has already been reduced from your claim value)	<ul style="list-style-type: none"> • If you received your Termination Fund documents, and have not submitted them contact the Monitor.
85	Disclosure Number for Patent Filing Awards	The Disclosure Number is the unique number assigned to an invention submitted by an inventor(s) to Nortel Canada. This is the Disclosure Number for which the Patent Filing Award is calculated.	<ul style="list-style-type: none"> • Any communication from Nortel Canada with the Disclosure number
86	Disclosure Number for Patent Issuance Awards	The Disclosure Number is the unique number assigned to an invention submitted by an inventor(s) to Nortel Canada. This is the Disclosure Number for which the Patent Issuance Award is calculated.	<ul style="list-style-type: none"> • Any communication from Nortel Canada with the disclosure number
87	Cumulative Issuance Status as at December 31, 2009	This is the cumulative status of all Disclosure Numbers as at December 31, 2009 for which you have received a Patent Issuance Award.	<ul style="list-style-type: none"> • Any communication from Nortel Canada with your cumulative status
88	Amounts owed to Nortel Canada	This amount is comprised of either: <ul style="list-style-type: none"> • Overpayment of an item by Nortel Canada to you through payroll; or • The amount of the Canadian Tax refund you were required to remit to Nortel Canada as per your agreement with Nortel Canada for tax equalization but have failed to remit payment as at July 26, 2011. (Note: This amount has already been reduced from your claim value)	<ul style="list-style-type: none"> • Copy of payment to Nortel Canada. • Pay stub deductions for payment

Line #	Personal Information	Definition	Documents from which this information can be found and be used for supporting documentation if data point is missing or incorrect
89	Amounts owed to Nortel Canada (local currency)	<p>This is the amount, in the local currency indicated, which you were required to remit to Nortel Canada as per your agreement with Nortel Canada for tax equalization but have failed to remit payment as at July 26, 2011.</p> <p><i>(Note: This amount will be reduced from your claim value)</i></p>	<ul style="list-style-type: none"> • Copy of payment to Nortel Canada. • Pay stub deductions for payment

GUIDE TO COMPLETING FORM C

You do not need to complete and submit *Form C* with respect to any Compensation Claim set out in *Form A*.

You may complete and submit *Form C* if you believe that you have: (a) a claim for compensation for acting as a director of Nortel Canada; (b) a claim against Nortel Canada for indemnification and/or contribution arising from your service to Nortel Canada as a director or officer; or (c) a grievance claim for monetary compensation; or (d) any other employment related claim not referred to above or in *Form A* (collectively an "Other Compensation Claim"). If you believe you have a grievance claim for monetary compensation, please contact your union as your union is to submit that claim on your behalf. Please submit your claim in its original currency and indicate if it is not expressed in Canadian Dollars. If not indicated, the Monitor will assume the Compensation Claim is in Canadian Dollars.

Please note that pursuant to the Order of the Court dated March 31, 2010 and the settlement agreement approved by that order, certain claims are barred or otherwise limited.

This Guide has been prepared to assist Creditors with Compensation Claims in filling out *Form C* with respect to the Debtors listed in Section 1, below. If you have any additional questions regarding completion of the *Form C*, please consult the Monitor's website at www.ey.com/ca/nortel or contact the Monitor, whose contact information is shown below.

Additional copies of the *Canadian Compensation Proof of Claim re: Other Compensation Claims* form may be found at the Monitor's website address noted above.

Please note that this is a guide only, and that, in the event of any inconsistency between the terms of this guide and the terms of the Compensation Claims Procedure Order made on October 7, 2011, the terms of the Compensation Claims Procedure Order will govern.

Section 1 – Name of Debtor:

- The following is a list of Debtor companies against whom a claim may be asserted in this claims process. Indicate on the form the name of the Debtor by ticking the appropriate box(es):
 - Nortel Networks Corporation
 - Nortel Networks Limited
 - Nortel Networks Global Corporation
 - Nortel Networks International Corporation
 - Nortel Networks Technology Corporation.

Section 2 – Original Creditor

- A separate *Canadian Compensation Proof of Claim re: Other Compensation Claims* form must be filed by each person asserting a claim against any Debtor listed in Section 1.
- The Creditor shall include any and all Claims it asserts against any Debtor in a single Proof of Claim.
- The full legal name of the Creditor must be provided.

- If the Creditor uses a different name or names, please indicate this in a separate schedule in the supporting documentation.
- All future correspondence, notices, etc. regarding the Claim will be directed to the address and contact indicated in this section.

Section 3 – Amount of Claim of Creditor against Debtor

- Indicate the amount the Debtor / Officer(s) or Director(s) was, and still is, indebted to the Creditor

Currency, Original Currency Amount

- The amount of the Claim must be provided in the currency in which it arose.
- Indicate the appropriate currency in the Currency column.
- If the Claim is denominated in multiple currencies, use a separate line to indicate the Claim amount in each such currency. If there are insufficient lines to record these amounts, attach a separate schedule indicating the required information.

Secured

- Check the Secured box **ONLY** if the Claim recorded on that line is secured. Do not check this box if your Claim is unsecured. **NOTE:** Compensation Claims in general are unsecured claims.
- If the value of the collateral securing your Claim is less than the amount of your Claim, enter the shortfall portion on a separate line as an unsecured claim
- Evidence supporting the security you hold must be submitted with the Proof of Claim form. Provide full particulars of the nature of the security, including the date on which the security was given and the value you attribute to the collateral securing your Claim. Attach a copy of all related security documents.

Officers and Directors

- Check this box only if the Claim you are making is also being asserted against a current or former officer or director of the Debtor.
- You must identify the individual officer(s) or director(s) against whom you are asserting the Claim.

Section 4 – Documentation

- Attach to the claim form all particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim and name of any guarantor which has guaranteed the Claim.

Section 5 – Certification

- The person signing the Compensation Proof of Claim form should
 - Have knowledge of all the circumstances connected with this Claim.
 - Be the Creditor, or an Authorized Representative of the Creditor.
 - An Authorized Representative is someone who has a Continuing/Non-continuing Power of Attorney for Property; or Estate Trustee/Administrator/Executor. You will need to attach a notarized copy of the Power of Attorney document, a notarized copy of the last will and testament of the deceased naming you as the estate trustee/executor, certificate of appointment of estate trustee, or other

documents acceptable to the Monitor to the Compensation Proof of Claim form. All copies must be notarized by a Notary Public.

- By signing and submitting the Proof of Claim, the Creditor is asserting the claim against the Debtor and / or the indicated officer(s) or director(s)

Section 6 – Filing of Claim

- This Compensation Proof of Claim **must be received** by the Monitor by no later than 4:00 p.m. (Eastern Standard Time) on December 30, 2011. Proofs of Claim should be sent by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission to the following address:

Ernst & Young Inc.
Court-appointed Monitor of Nortel Networks Corporation & others
222 Bay Street, P.O. Box 251
Toronto, Ontario
Canada M5K 1J7
Attention: Nortel Claims

Telephone: 1-866-942-7177 or 416-943-4439
E-mail: nortel.monitor@ca.ey.com
Fax: 416-943-2808

Failure to file your *Compensation Proof of Claim re: Other Compensation Claims* so that it is received by the Monitor by 4:00 p.m. (Eastern Standard Time) on the Claims Bar Date of December 30, 2011 will result in your Other Compensation Claim being barred and you will be prevented from making or enforcing your Other Compensation Claim against the Debtor or any current or former officer or director of any of the Debtors. In addition, you shall not be entitled to further notice in and shall not be entitled to participate as a creditor in these proceedings with respect to your Other Compensation Claim.

SCHEDULE B
PROOF OF CLAIM DOCUMENT PACKAGE

SCHEDULE B

Only complete if you believe that you have: (a) a claim for compensation for acting as a director of Nortel Canada; (b) a claim against Nortel Canada for indemnification and/or contribution arising from your service to Nortel Canada as a director or officer; or (c) any other employment-related claim not referred to in Form A (collectively an "Other Compensation Claim").

CANADIAN COMPENSATION PROOF OF CLAIM re: Other Compensation Claims

Nortel Canada

Form C

1 Name of Debtor (the "Debtor")

- ☐ Nortel Networks Limited
☐ Nortel Networks International Corporation
☐ Nortel Networks Corporation
☐ Nortel Networks Global Corporation
☐ Nortel Networks Technology Corporation.

2 Original Creditor Identification (the "Creditor")

Legal Name of Creditor			Name of Contact if different
Address	GID/Employee #		Phone #
	Social Insurance No.		Fax #
City	Country	Postal/Zip code	e-mail

3 Amount of Claim

The Debtor was and still is indebted to the Creditor as follows:

Claims will be recorded as "Unsecured" unless the "Secured" box is checked.

If you are making a claim against an Officer or Director check the box below, list the Officers(s) and Directors(s) and against whom you assert your claim.¹

[illegible]

4 Documentation

Provide all particulars of the Other Compensation Claim, including amount, description of transaction(s) or agreement(s) giving rise to the Other Compensation Claim, and name of any guarantor which has guaranteed the Other Compensation Claim and attach all supporting documentation.

5 Certification

I hereby certify that:

- I am the Creditor, or Authorized Representative of the Creditor.
- I have knowledge of all the circumstances connected with this Other Compensation Claim.
- The Creditor asserts this claim against the Debtor; and the Officer(s) and Director(s) as indicated above.
- Complete documentation in support of this claim is attached.

Signature	Name
Dated at	Signed at

6 Filing of Other Compensation Claim

This Canadian Compensation Proof of Claim must be received by the Monitor by no later than 4:00 p.m. (Eastern Standard Time) on December 30, 2011, by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission at the following address:

Ernst & Young Inc.
222 Bay St., P.O. Box 251
Toronto-Dominion Centre
Toronto, ON M5K 1J7
CANADA
Attention: Nortel Claims

Fax: 416-943-2808
Tel: 1-866-942-7177 or
416-943-4439
e-mail:
nortel.monitor@ca.ey.com

¹ These claims are for compensation-related claims only and are limited by other claims Orders.

GUIDE TO COMPLETING FORM C

You do not need to complete and submit *Form C* with respect to any Compensation Claim set out in *Form A*.

You may complete and submit *Form C* if you believe that you have: (a) a claim for compensation for acting as a director of Nortel Canada; (b) a claim against Nortel Canada for indemnification and/or contribution arising from your service to Nortel Canada as a director or officer; or (c) a grievance claim for monetary compensation; or (d) any other employment related claim not referred to above or in *Form A* (collectively an "Other Compensation Claim"). If you believe you have a grievance claim for monetary compensation, please contact your union as your union is to submit that claim on your behalf. Please submit your claim in its original currency and indicate if it is not expressed in Canadian Dollars. If not indicated, the Monitor will assume the Compensation Claim is in Canadian Dollars.

Please note that pursuant to the Order of the Court dated March 31, 2010 and the settlement agreement approved by that order, certain claims are barred or otherwise limited.

This Guide has been prepared to assist Creditors with Compensation Claims in filling out *Form C* with respect to the Debtors listed in Section 1, below. If you have any additional questions regarding completion of the *Form C*, please consult the Monitor's website at www.ey.com/ca/nortel or contact the Monitor, whose contact information is shown below.

Additional copies of the *Canadian Compensation Proof of Claim re: Other Compensation Claims* form may be found at the Monitor's website address noted above.

Please note that this is a guide only, and that, in the event of any inconsistency between the terms of this guide and the terms of the Compensation Claims Procedure Order made on October 7, 2011, the terms of the Compensation Claims Procedure Order will govern.

Section 1 – Name of Debtor:

- The following is a list of Debtor companies against whom a claim may be asserted in this claims process. Indicate on the form the name of the Debtor by ticking the appropriate box(es):
 - Nortel Networks Corporation
 - Nortel Networks Limited
 - Nortel Networks Global Corporation
 - Nortel Networks International Corporation
 - Nortel Networks Technology Corporation.

Section 2 – Original Creditor

- A separate *Canadian Compensation Proof of Claim re: Other Compensation Claims* form must be filed by each person asserting a claim against any Debtor listed in Section 1.
- The Creditor shall include any and all Claims it asserts against any Debtor in a single Proof of Claim.
- The full legal name of the Creditor must be provided.

- If the Creditor uses a different name or names, please indicate this in a separate schedule in the supporting documentation.
- All future correspondence, notices, etc. regarding the Claim will be directed to the address and contact indicated in this section.

Section 3 – Amount of Claim of Creditor against Debtor

- Indicate the amount the Debtor / Officer(s) or Director(s) was, and still is, indebted to the Creditor

Currency, Original Currency Amount

- The amount of the Claim must be provided in the currency in which it arose.
- Indicate the appropriate currency in the Currency column.
- If the Claim is denominated in multiple currencies, use a separate line to indicate the Claim amount in each such currency. If there are insufficient lines to record these amounts, attach a separate schedule indicating the required information.

Secured

- Check the Secured box **ONLY** if the Claim recorded on that line is secured. Do not check this box if your Claim is unsecured. **NOTE:** Compensation Claims in general are unsecured claims.
- If the value of the collateral securing your Claim is less than the amount of your Claim, enter the shortfall portion on a separate line as an unsecured claim
- Evidence supporting the security you hold must be submitted with the Proof of Claim form. Provide full particulars of the nature of the security, including the date on which the security was given and the value you attribute to the collateral securing your Claim. Attach a copy of all related security documents.

Officers and Directors

- Check this box only if the Claim you are making is also being asserted against a current or former officer or director of the Debtor.
- You must identify the individual officer(s) or director(s) against whom you are asserting the Claim.

Section 4 – Documentation

- Attach to the claim form all particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim and name of any guarantor which has guaranteed the Claim.

Section 5 – Certification

- The person signing the Compensation Proof of Claim form should
 - Have knowledge of all the circumstances connected with this Claim.
 - Be the Creditor, or an Authorized Representative of the Creditor.
 - An Authorized Representative is someone who has a Continuing/Non-continuing Power of Attorney for Property; or Estate Trustee/Administrator/Executor. You will need to attach a notarized copy of the Power of Attorney document, a notarized copy of the last will and testament of the deceased naming you as the estate trustee/executor, certificate of appointment of estate trustee, or other

documents acceptable to the Monitor to the Compensation Proof of Claim form. All copies must be notarized by a Notary Public.

- By signing and submitting the Proof of Claim, the Creditor is asserting the claim against the Debtor and / or the indicated officer(s) or director(s)

Section 6 – Filing of Claim

- This Compensation Proof of Claim **must be received** by the Monitor by no later than 4:00 p.m. (Eastern Standard Time) on December 30, 2011. Proofs of Claim should be sent by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission to the following address:

Ernst & Young Inc.
Court-appointed Monitor of Nortel Networks Corporation & others
222 Bay Street, P.O. Box 251
Toronto, Ontario
Canada M5K 1J7
Attention: Nortel Claims

Telephone: 1-866-942-7177 or 416-943-4439
E-mail: nortel.monitor@ca.ey.com
Fax: 416-943-2808

Failure to file your *Compensation Proof of Claim re: Other Compensation Claims* so that it is received by the Monitor by 4:00 p.m. (Eastern Standard Time) on the Claims Bar Date of December 30, 2011 will result in your Other Compensation Claim being barred and you will be prevented from making or enforcing your Other Compensation Claim against the Debtor or any current or former officer or director of any of the Debtors. In addition, you shall not be entitled to further notice in and shall not be entitled to participate as a creditor in these proceedings with respect to your Other Compensation Claim.

SCHEDULE C

**NOTICE TO EMPLOYEES, FORMER EMPLOYEES, PENSIONERS, LTD
BENEFICIARIES AND THEIR SURVIVORS, AND DIRECTORS AND OFFICERS OF
A COMPENSATION CLAIMS PROCEDURE IN RESPECT OF THE DEBTORS
PURSUANT TO THE COMPANIES' CREDITORS ARRANGEMENT ACT**

**Regarding NORTEL NETWORKS CORPORATION, NORTEL NETWORKS LIMITED,
NORTEL NETWORKS GLOBAL CORPORATION, NORTEL NETWORKS
INTERNATIONAL CORPORATION AND NORTEL NETWORKS TECHNOLOGY
CORPORATION**

(hereinafter referred to as the "**Debtors**")

PLEASE TAKE NOTICE that this notice is being published pursuant to an Order of the Ontario Superior Court of Justice (the "**Court**") made October 6, 2011 (the "**Compensation Claims Procedure Order**"), approving a procedure for the calling of: (i) Compensation Claims of the Debtors' employees, former employees, pensioners and their survivors (collectively, the "**Employees**"); and (ii) Other Compensation Claims of Employees and of Directors and Officers against one or more of the Debtors, and the establishment of bar dates by which such claims must be filed. *Please refer to the Compensation Claims Procedure Order for the definitions of capitalized terms herein.*

Compensation Claims are comprised of the following: (i) claims of Employees under the Debtors' Non-Registered Pension Plans and claims for Non-Pension Benefits provided by the Debtors; (ii) claims of Employees under the Debtors' patent award program; and (iii) claims of Employees for termination and severance pay. By separate Order dated October 6, 2011, the Court approved a methodology for the calculation of these Compensation Claims (the "**Compensation Claims Methodology Order**")

Other Compensation Claims are comprised of the following: (i) claims of an Employee against any Debtor for amounts owing to him/her in his/her capacity as an Employee or arising from the administration, management or oversight of any pension plans or employee benefit plans administered or sponsored by the Debtors or their subsidiaries that is not contemplated in an Employee's Information Statement (described below); (ii) claims of a Director for compensation for acting as a director, including, without limitation, in respect of fees, deferred share-based compensation, benefits and Director expenses; (iii) claims of a Director or Officer as of the date of the Compensation Claims Procedure Order against any Debtor for indemnification and/or contribution arising from such Director's or Officer's service to any Debtor; and (iv) certain grievance claims.

Pursuant to the Compensation Claims Procedure Order, most Employees will receive: (i) a personalized Information Statement Package reflecting the amount of an Employee's Compensation Claim calculated in accordance with the court-approved methodology set out in the Compensation Claims Methodology Order; (ii) a personal information change form allowing

Employees an opportunity to correct any personal information contained in the package; and (iii) a Proof of Claim form to be completed by Employees if they believe they have Other Compensation Claims.

There will also be an opportunity for all Employees who did not receive an Information Statement Package and Directors and Officers who believe they have an Other Compensation Claim to file a Proof of Claim in respect of such Other Compensation Claim.

As described in the Information Statement Package, requests for the correction of personal information contained in the package must be received by the Monitor: (i) with respect to Employees (other than Active Employees, Active Canadian Service Employees and Active Precision Employees), on or before 4:00 p.m. (Eastern Time) on January 6, 2012; and (ii) with respect to Active Employees, Active Canadian Service Employees and Active Precision Employees, on or before 4:00 p.m. (Eastern Time) on the date that is fifty (50) calendar days after the day on which an Information Statement Package is sent to such employee.

As described in the Proof of Claim Document Package, completed Proofs of Claim must be received by the Monitor: (i) with respect to claimants (other than Active Employees, Active Canadian Service Employees and Active Precision Employees), on or before 4:00 p.m. (Eastern Time) on January 6, 2012; and (ii) with respect to Active Employees, Active Canadian Service Employees and Active Precision Employees, on or before 4:00 p.m. (Eastern Time) on the date that is fifty (50) calendar days after the day on which an Information Statement Package is sent to such employee.

Copies of the Compensation Claims Procedure Order, the Compensation Claims Methodology Order and a Proof of Claim Document Package may also be obtained from the website of Ernst & Young Inc., at "www.ey.com/ca/nortel", or by contacting the Monitor by telephone (1-416-943-4439 or 1-866-942-7177) or by fax (1-416-943-2808).

It is your responsibility to complete the appropriate documents and ensure that the Monitor receives your completed documents by the applicable bar date.

REQUESTS FOR THE CORRECTION OF INFORMATION AND PROOFS OF CLAIM THAT ARE NOT RECEIVED BY THE APPLICABLE BAR DATE WILL NOT BE RECOGNIZED, AND WILL BE BARRED AND EXTINGUISHED FOREVER.

DATED at Toronto this ● day of ●, 2011.

SCHEDULE D

REFERENCE/ID NUMBER [●]

NOTICE OF DISALLOWANCE (PERSONAL INFORMATION)

Regarding Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation and Nortel Networks Technology Corporation

(collectively, the “Debtors”)

TO: [insert name of claimant and ID number]

RE: Information Statement contained in the Information Statement Package/Monitor Corrected Information Statement provided to you (the "Information Statement") and the Request for Correction dated [DATE] submitted by you with respect to that Information Statement.

Ernst & Young Inc., in its capacity as Monitor of the Debtors, hereby gives you notice that it has reviewed your Request for Correction, and has accepted or rejected the corrections requested by you, as follows:

Proposed correction to information in the original Information Statement/Monitor Corrected Information Statement as set out in the Request for Correction:	Information as set out in the original Information Statement/Monitor Corrected Information Statement	Explanation
	[Line # and Description]	[The Monitor accepts/rejects ...]

D. Reasons for Disallowance:

[insert explanation]

If the proposed correction or any part of it has been accepted by the Monitor, and if that accepted correction will change the amount of the Compensation Claim as set out in the Information Statement, a revised Information Statement will be provided to you by the Monitor once your claim has been fully adjudicated.

Next Steps:

If you do not agree with this Notice of Disallowance (Personal Information), please take notice of the following:

1. **You must, no later than 4:00 p.m. (Eastern Time) on [INSERT DATE], being twenty-eight (28) calendar days after this Notice of Disallowance (Personal Information) is sent to you by the Monitor, and in accordance with paragraph [28] of the Compensation Claims Procedure Order dated October 6, 2011, notify the Monitor of your intention to dispute such Notice of Disallowance (Personal Information) by delivery of a Dispute Notice (Personal Information). The form of Dispute Notice (Personal Information) is enclosed.**
2. If you do not deliver a Dispute Notice (Personal Information), the information as set out in your Information Statement (or Monitor Corrected Information Statement, if applicable) shall be deemed to be as set out in this Notice of Disallowance (Personal Information).

IF YOU FAIL TO TAKE ACTION WITHIN THE PRESCRIBED TIME PERIOD, THIS NOTICE OF DISALLOWANCE (PERSONAL INFORMATION) WILL BE BINDING UPON YOU.

DATED at Toronto, this _____ day of _____, 201●.

ERNST & YOUNG INC., Court-appointed Monitor of Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation and Nortel Networks Technology Corporation.

SCHEDULE E

REFERENCE/ID NUMBER [●]

NOTICE OF DISALLOWANCE (PROOF OF CLAIM)

Regarding Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation and Nortel Networks Technology Corporation

(collectively, the “Debtors”)

TO: [insert name of claimant and ID number]

RE: Proof of Claim dated [DATE] filed by you against one or more of Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation and Nortel Networks Technology Corporation (collectively, the “Debtors”) and/or their respective Officers and Directors

Ernst & Young Inc., in its capacity as Monitor of the Debtors, hereby gives you notice that it has reviewed your Proof of Claim, and has disallowed your claim as set out therein or any part thereof as follows:

Proof of Claim as submitted:	Claim or portion of claim accepted by the Monitor:	Claim or portion of claim disallowed by the Monitor:	Explanation
			[The Monitor accepts/rejects...]

D. Reasons for Disallowance:

[insert explanation]

Next Steps

If you do not agree with this Notice of Disallowance (Proof of Claim), please take notice of the following:

1. **If you dispute this Notice of Disallowance (Proof of Claim), you must, no later than 4:00 p.m. (Eastern Time) on [INSERT DATE], being twenty-eight (28) calendar**

days after this Notice of Disallowance (Proof of Claim) is sent to you by the Monitor, and in accordance with paragraph [28] of the Compensation Claims Procedure Order dated October 6, 2011, notify the Monitor of your intention to dispute this Notice of Disallowance (Proof of Claim) by delivery of a Dispute Notice (Proof of Claim). The form of Dispute Notice (Proof of Claim) is enclosed.

2. If you do not deliver a Dispute Notice (Proof of Claim), your claim shall be deemed to be as set out in this Notice of Disallowance (Proof of Claim).

IF YOU FAIL TO TAKE ACTION WITHIN THE PRESCRIBED TIME PERIOD, THIS NOTICE OF DISALLOWANCE (PROOF OF CLAIM) WILL BE BINDING UPON YOU.

DATED at Toronto, this _____ day of _____, 201●.

ERNST & YOUNG INC., Court-appointed Monitor of Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation and Nortel Networks Technology Corporation.

SCHEDULE F

DISPUTE NOTICE (PERSONAL INFORMATION)

Regarding Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation and Nortel Networks Technology Corporation

Name of claimant: _____

ID Number of claimant: _____

RE: Information Statement provided to the above-named claimant and the Request for Correction dated _____ filed by the above-named claimant with respect to information set out in that Information Statement.

I hereby give you notice of my intention to dispute the Notice of Disallowance (Personal Information) bearing Reference Number _____ and dated _____ issued in respect of my Request for Correction.

Reasons for Dispute (attach additional sheet and copies of all supporting documentation if necessary):

(Signature of individual completing this Date
Dispute Notice)

(Please print name)

Telephone Number: () _____

E-mail Address: _____

Facsimile Number: () _____

Full Mailing Address: _____

THIS FORM IS TO BE RETURNED BY PREPAID ORDINARY MAIL, COURIER, PERSONAL DELIVERY OR ELECTRONIC OR DIGITAL TRANSMISSION AND MUST BE RECEIVED BY THE MONITOR NO LATER THAN 4:00 P.M. (EASTERN TIME) ON THE DAY THAT IS TWENTY-EIGHT (28) CALENDAR DAYS AFTER THE NOTICE OF DISALLOWANCE (PERSONAL INFORMATION) OR MONITOR

CORRECTED INFORMATION STATEMENT WAS SENT TO YOU BY THE MONITOR, TO:

ERNST & YOUNG INC.

Court-appointed Monitor of Nortel Networks Corporation & others

222 Bay Street, P.O. Box 251

Toronto, Ontario

Canada M5K 1J7

Attention: Nortel Claims

Telephone: 1-416-943-4439 or 1-866-942-7177

E-mail: nortel.monitor@ca.ey.com

Fax: 1-416-943-2808

SCHEDULE G

DISPUTE NOTICE (PROOF OF CLAIM)

Regarding Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation and Nortel Networks Technology Corporation

Name of claimant: _____

ID Number of claimant: _____

RE: Proof of Claim dated _____ filed by the above-named claimant against one or more of Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation and Nortel Networks Technology Corporation, and/or their respective Officers and Directors.

I hereby give you notice of my intention to dispute the Notice of Disallowance (Proof of Claim) bearing Reference Number _____ and dated _____ issued in respect of my claim as set out in the above-noted Proof of Claim.

Reasons for Dispute (attach additional sheet and copies of all supporting documentation if necessary):

(Signature of individual completing this Date
Dispute Notice)

(Please print name)

Telephone Number: () _____

E-mail Address: _____

Facsimile Number: () _____

Full Mailing Address: _____

THIS FORM IS TO BE RETURNED BY PREPAID ORDINARY MAIL, COURIER, PERSONAL DELIVERY OR ELECTRONIC OR DIGITAL TRANSMISSION AND

MUST BE RECEIVED NO LATER THAN 4:00 P.M. (EASTERN TIME) ON THE DAY THAT IS TWENTY-EIGHT (28) CALENDAR DAYS AFTER THE NOTICE OF DISALLOWANCE (PROOF OF CLAIM) WAS SENT TO YOU BY THE MONITOR, TO:

ERNST & YOUNG INC.

Court-appointed Monitor of Nortel Networks Corporation & others
222 Bay Street, P.O. Box 251
Toronto, Ontario
Canada M5K 1J7

Attention: Nortel Claims
Telephone: 1-416-943-4439 or 1-866-942-7177
E-mail nortel.monitor@ca.ey.com
Fax: 1-416-943-2808

SCHEDULE H

REFERENCE NUMBER [●]

NOTICE OF ACCEPTANCE (PERSONAL INFORMATION)

Regarding Nortel Networks Corporation, Nortel Networks Limited,
Nortel Networks Global Corporation, Nortel Networks International Corporation
and Nortel Networks Technology Corporation

(collectively, the “Debtors”)

TO:	[insert name of claimant]
ID Number of claimant:	
RE:	Information Statement provided to the above-named claimant and the Request for Correction dated _____ filed by the above-named claimant with respect to information set out in that Information Statement.

Ernst & Young Inc., in its capacity as Monitor of the Debtors, hereby gives you notice that it has reviewed your Request for Correction, and has accepted the corrections requested by you, as follows:

Information as contained in the Information Statement, with respect to which a Request for Correction was made:	Accepted correction to such information, as set out in the Request for Correction:
[Line # and description...]	

PLEASE NOTE that the correction(s) as accepted do not change the amount of your “Compensation Claim” as set out in the Information Statement, and that therefore a Revised Information Statement will not be sent to you. The amount of your Compensation Claim as set out in the Information Statement is final and binding for all purposes.

DATED at Toronto, this day of , 201●.

ERNST & YOUNG INC., Court-appointed Monitor of Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation and Nortel Networks Technology Corporation.

SCHEDULE I
LETTER TO ACTIVE EMPLOYEES

Personal & Confidential

<NAME>
<ADDR1>
<<ADDR2>>
<CITY>, <PROV> <POSTAL>
<COUNTRY>

Re: Nortel Networks Limited, Nortel Networks Corporation, Nortel Networks Technology Corporation, Nortel Networks International Corporation and Nortel Networks Global Corporation (collectively “Nortel Canada”)

Background:

As you are aware, Nortel Canada filed for protection under the *Companies’ Creditors Arrangement Act* (CCAA) on January 14, 2009 and Ernst & Young Inc. was appointed by the Court as the Monitor.

The Court has approved a claims process for claims arising out of employment with Nortel Canada (the “Compensation Claims Process”), including the basis for calculating such claims (“Compensation Claim”). As part of the Compensation Claims Process and using the Court approved methodology, Nortel Canada has calculated a Compensation Claim value for its former employees using data as at December 31, 2010. You can view additional details about the calculations, including the applicable Court-approved assumptions, at www.ey.com/ca/nortel.

Please note the Compensation Claims Process does not apply to claims for the funding deficits in Nortel Canada’s registered pension plans. Morneau Shepell Ltd., the current administrator of the registered pension plans, has made those claims. Any questions regarding your registered pension plans are to be directed to Morneau Shepell Ltd at **1-877-392-2073** (Negotiated Plan) or **1-877-392-2074** (Managerial, Non-Negotiated Plan); or through email at: nortelwindup@morneausobeco.com.

Your Circumstances:

You are receiving this letter because Nortel Canada’s records indicate that you were an active employee as at December 31, 2010 (“Active Employee”). As an Active Employee, the value of your Compensation Claim may change after December 31, 2010. Therefore, Nortel Canada has deferred the calculation of your Compensation Claim.

If your employment status changed after December 31, 2010, but before January 1, 2012, a package including your Compensation Claim calculated in accordance with the Court approved methodology, as well as the personal information used to calculate your claim (the “Claims Package”), will be mailed to you within 20 business days of December 31, 2011.

If you are still an active employee as at January 1, 2012, your Claims Package will be prepared based on the Court approved methodology within 20 business days after your employment with Nortel Canada is terminated.

You will have 50 days from the date your Claims Package is mailed to you to dispute the personal information used in calculating your Compensation Claim, and/or provide details of any additional Compensation Claims that you believe you may have against Nortel Canada.

If you have any questions with regards to this letter, please contact:

- Monitor at 1-866-942-7177 or 416-943-4439 or email the Monitor at nortel.monitor@ca.ey.com.
- Monitor at 1-866-942-7177 or 416-943-4439 or email the Monitor at nortel.monitor@ca.ey.com.
- Court-appointed Representative Counsel for Former Employees, LTD Beneficiaries: Koskie Minsky at 1.866.777.6344 or email: nortel@kmlaw.ca
- Court-appointed Representative Counsel for Continuing and Transferred employees: Nelligan O'Brien Payne at 1-877-542-9254 or email: ncce@nelligan.ca

CAW – Canada: Barry E. Wadsworth, Associate Counsel at 416-495-3776 or email: linda.cantin@caw.ca

SCHEDULE J

LETTER TO POST-FILING TRANSFERRED EMPLOYEES

Personal & Confidential

<NAME>

ADDR1>

<<ADDR2>>

<CITY>, <PROV> <POSTAL>

<COUNTRY>

Re: Nortel Networks Limited, Nortel Networks Corporation, Nortel Networks Technology Corporation, Nortel Networks International Corporation and Nortel Networks Global Corporation (collectively “Nortel Canada”)

Background:

As you are aware, Nortel Canada filed for protection under the *Companies' Creditors Arrangement Act* (CCAA) on January 14, 2009 and Ernst & Young Inc. was appointed by the Court as the Monitor.

The Court has approved a claims process for claims arising out of employment with Nortel Canada (the “Compensation Claims Process”), including the basis for calculating such claims (“Compensation Claim”). As part of the Compensation Claims Process and using the Court approved methodology, Nortel Canada has calculated a Compensation Claim value for its former employees using data as at December 31, 2010. You can view additional details about the calculations, including the applicable Court-approved assumptions, at www.ey.com/ca/nortel.

Please note the Compensation Claims Process will not apply to claims for the funding deficits in Nortel Canada’s registered pension plans. Morneau Shepell Ltd., the current administrator of the registered pension plans, has made those claims. Any questions regarding your registered pension plans are to be directed to Morneau Shepell Ltd, at **1-877-392-2073** (Negotiated Plan) or **1-877-392-2074** (Managerial, Non-Negotiated Plan); or through email at: nortelwindup@morneausobeco.com.

Your Circumstances:

You are receiving this letter as Nortel Canada’s records indicate you have no Compensation Claim. Prior to December 31, 2010, you became employed with a third party employer as part of a transaction between the third-party and Nortel Canada for the purchase of Nortel Canada assets:

1. As part of the transaction, your new employer agreed to recognize your years of service and to provide you with compensation substantially similar to that which you received from Nortel. As a result, you are not entitled to severance pay.

2. You did not become eligible for retirement benefits or non-registered pension benefits by the end of the court-approved Notice Period¹ calculated for you pursuant to the court approved methodology; and

3. During the Notice Period, you did not have a loss of registered pension accrual for either: (i) the increased pension amount, if any, you would have received under the defined benefit plan; or (ii) Nortel Canada's contribution under the defined contribution plan.

You can find the eligibility requirements and description of benefits in the Mercer 2011 Valuations available on the Monitor's website at www.ey.com/ca/Nortel.

Further Action:

Attached to this letter, is a blank proof of claim form ("*Form C*"). If you believe that you have a Compensation Claim, please complete *Form C* and return it to the Monitor prior to [TIME] on [DATE]. If you do not return *Form C* with the required proof by [date] at [time], you will be deemed to have no Compensation Claim against Nortel Canada for all purposes.

If you have any questions with regards to this letter, please contact:

- Monitor at 1-866-942-7177 or 416-943-4439 or email the Monitor at nortel.monitor@ca.ey.com.
- Monitor at 1-866-942-7177 or 416-943-4439 or email the Monitor at nortel.monitor@ca.ey.com.
- Court-appointed Representative Counsel for Former Employees, LTD Beneficiaries: Koskie Minsky at 1.866.777.6344 or email: nortel@kmlaw.ca
- Court-appointed Representative Counsel for Continuing and Transferred employees: Nelligan O'Brien Payne at 1-877-542-9254 or email: ncce@nelligan.ca

CAW – Canada: Barry E. Wadsworth, Associate Counsel at 416-495-3776 or email: linda.cantin@caw.ca

¹ For non-unionized employees the Notice Period is calculated based on 3.3 weeks per year of service (with a minimum of 8 weeks and a maximum of 78 weeks); for unionized employees it is based on your Collective Labour Agreement (assuming no recall rights).

SCHEDULE K
LETTER TO OUT-OF-COUNTRY ADDRESSES

Personal & Confidential

<NAME>
<ADDR1>
<<ADDR2>>
<CITY>, <PROV> <POSTAL>
<COUNTRY>

Re: Nortel Networks Limited, Nortel Networks Corporation, Nortel Networks Technology Corporation, Nortel Networks International Corporation and Nortel Networks Global Corporation (collectively “Nortel Canada”)

Background:

As you are aware, Nortel Canada filed for protection under the *Companies' Creditors Arrangement Act* (CCAA) on January 14, 2009 and Ernst & Young Inc. was appointed by the Court as the Monitor.

The Court has approved a claims process for claims arising out of employment with Nortel Canada (the “Compensation Claims Process”), including the basis for calculating such claims (“Compensation Claim”). As part of the Compensation Claims Process and using the Court approved methodology, Nortel Canada has calculated a Compensation Claim value for its former employees using data as at December 31, 2010. You can view additional details about the calculations, including the applicable Court-approved assumptions, at www.ey.com/ca/nortel.

Please note the Compensation Claims Process will not apply to claims for the funding deficits in Nortel Canada’s registered pension plans. Morneau Shepell Ltd., the current administrator of the registered pension plans, has made those claims. Any questions regarding your registered pension plans are to be directed to Morneau Shepell Ltd, at 1-877-392-2073 (Negotiated Plan) or 1-877-392-2074 (Managerial, Non-Negotiated Plan); or through email at: nortelwindup@morneausobeco.com.

Your Circumstances:

You are receiving this letter because Nortel Canada’s records indicate that you have no Compensation Claim against Nortel Canada. Specifically, the records indicate that as of December 31, 2010 you resided outside of Canada. The terms of the post-retirement benefits plan (the “Plan”) require that you be eligible for provincial medical coverage in order to qualify for benefits under the Plan, and a key requirement for provincial medical coverage is residence in a province of Canada.

Accordingly, you are not entitled to post-retirement medical and dental benefits and Nortel’s records do not indicate you have any other Compensation Claim.

Further Action:

Attached to this letter, is a blank proof of claim form (“Form C”). If you believe that you have a Compensation Claim, please complete *Form C*. In addition to *Form C*, you will need to provide proof that you resided in Canada on December 31, 2010. Acceptable proof includes a utility bill in respect of December 2010 in your name, or your 2010 Canada Revenue Agency Notice of Assessment. If you do

not return *Form C* with the required proof by **[date]** at **[time]**, you will be deemed to have no Compensation Claim against Nortel Canada for all purposes.

If you have any questions with regards to this letter, please contact:

- Monitor at 1-866-942-7177 or 416-943-4439 or email the Monitor at nortel.monitor@ca.ey.com.
- Monitor at 1-866-942-7177 or 416-943-4439 or email the Monitor at nortel.monitor@ca.ey.com.
- Court-appointed Representative Counsel for Former Employees, LTD Beneficiaries: Koskie Minsky at 1.866.777.6344 or email: nortel@kmlaw.ca
- Court-appointed Representative Counsel for Continuing and Transferred employees: Nelligan O'Brien Payne at 1-877-542-9254 or email: ncce@nelligan.ca

CAW – Canada: Barry E. Wadsworth, Associate Counsel at 416-495-3776 or email: linda.cantin@caw.ca

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF NORTEL
NETWORKS CORPORATION, NORTEL NETWORKS LIMITED, NORTEL NETWORKS
GLOBAL CORPORATION, NORTEL NETWORKS INTERNATIONAL CORPORATION
AND NORTEL NETWORKS TECHNOLOGY CORPORATION**

Court File No: **09-CL-7950**

ONTARIO

**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**COMPENSATION CLAIMS PROCEDURE
ORDER**

NORTON ROSE OR LLP

Suite 3800

Royal Bank Plaza, South Tower

200 Bay Street

Toronto, Ontario M5J 2Z4

Derrick Tay LSUC#: 21152A

Tel: (416) 216-4832

Email: derrick.tay@nortonrose.com

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Tel: (416) 216-2327

Email: jennifer.stam@nortonrose.com

Tony Reyes LSUC#: 28218V

Tel: (416) 216-4825

Email: tony.reyes@nortonrose.com

Fax: (416) 216-3930

Lawyers for the Applicants