

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**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, NORTEL NETWORKS TECHNOLOGY CORPORATION, NORTEL
COMMUNICATIONS INC., ARCHITEL SYSTEMS CORPORATION AND
NORTHERN TELECOM CANADA LIMITED**

NOTICE OF SECOND DISTRIBUTION RATE

**TO: AFFECTED UNSECURED CREDITORS OF NORTEL NETWORKS CORPORATION AND
THE OTHER CANADIAN DEBTORS**

Reference is made to: (i) the Plan of Compromise and Arrangement pursuant to the *Companies' Creditors Arrangement Act* concerning affecting and involving the Canadian Debtors dated November 30, 2016 (the "**Canadian Plan**") sanctioned by the Ontario Superior Court of Justice pursuant to a Sanction Order dated January 24, 2017; and (ii) the Notice of Second Distribution Date issued by the Monitor dated November 14, 2018 (the "**Second Distribution Notice**"). Capitalized terms used herein and not otherwise defined have the meaning given to them in the Canadian Plan or the Second Distribution Notice.

NOTICE IS HEREBY GIVEN that the amount of the Second Distribution shall be:

- (i) **U.S. 4.30 cents per U.S. dollar** for holders of Proven Affected Unsecured Claims entitled under the Canadian Plan to be paid in U.S. dollars; and
- (ii) **approximately CA 4.71 cents per CA dollar** for holders of Proven Affected Unsecured Claims entitled under the Canadian Plan to be paid in Canadian dollars.

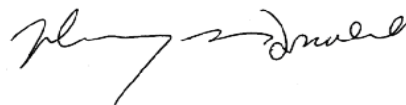
The Second Distribution, when combined with the Initial Distribution, results in a cumulative distribution under the Canadian Plan to date of:

- (i) **U.S. 45.80 cents per U.S. dollar** for holders of Proven Affected Unsecured Claims entitled under the Canadian Plan to be paid in U.S. dollars; and
- (ii) **approximately CA 50.20 cents per CA dollar** for holders of Proven Affected Unsecured Claims entitled under the Canadian Plan to be paid in Canadian dollars.

DATED the 6th day of December, 2018

**ERNST & YOUNG INC. in its capacity as Monitor of
Nortel Networks Corporation *et al.* and not in its
personal capacity**

Per:



Name: Murray McDonald
Title: President