

## **APPENDIX “LLL”**

**HEALTH & WELFARE TRUST DOCUMENTS  
PROVIDED TO INDEPENDENT COUNSEL**

<b>Document</b>
1. Letter from Northern Telecom Limited to Revenue Canada dated December 16, 1979 requesting advance income tax ruling
2. Advance Income Tax Ruling dated December 28, 1979
3. Health and Welfare Trust Agreement between Northern Telecom Limited and Montreal Trust Company dated January 1, 1980, and amendments thereto
4. Administrative Services Agreement dated January 1, 1981
5. Mercer Actuarial Valuation of the Health and Welfare Trust as at September 30, 2005
6. Inter-Company Manual
7. Nortel Policy Agreement, April 29, 1999
8. Nortel Policy Amendment Agreement No. 22, August 26, 2006
9. History Summary Chart for Group Policy #20535
10. Overview – Policy #13900, April 29, 1999
11. Nortel Network Amendment Agreement No. 11, May 7, 2008 (Group Policy #20531)
12. History Summary for Policy #20531
13. Nortel Policy Agreement No. 1, January 1, 2001 (Group Policy #13901)
14. Nortel Policy Amendment Agreement No. 7, May 1, 2005 (Group Policy #20532)
15. History Summary Chart for Policy #20532
16. Nortel Networks Policy #14900, January 1, 2000
17. Reissue – Agreement No. 9 (Group Policy #20533)
18. History Summary Chart for Policy #20533
19. Reissue Agreement No. 4 to Group Policy #20534, December 1, 2004
20. Reissue Highlights to Group Policy #14901, January 1, 2002
21. History Summary Chart for Group Policy #20534
22. Nortel Policy Amendment Agreement No. 2, January 1, 2004 (Group Policy #20537-OOP)
23. History Summary Chart for Group Policy #20537-OOP
24. Amendment Agreement No. 1 for Administrative Services Only, January 1, 2005 (Group Policy #25654 – Appendix C-4A)
25. Amendment Agreement No. 3 for Administrative Services Only, September 1, 2007 (Group #25654 – Appendix C-4A)

<b>Document</b>
26. Northern Telecom Canada Limited Plan Number 90002, LTD Plan, June 1, 1992 (Group #90002 – Appendix C-7)
27. Amendment Agreement No. 1 for Administrative Services Only, September 1, 2003 (Group Policy #25654 – Appendix C-7)
28. History Summary Chart for Group Policy #25654 – Appendix C-4A
29. History Summary Chart for Group Policy #25654 – Appendix C-7
30. History Summary Chart for Group Policy #25654 – Appendix C-6A
31. Reissue – Agreement No. 2 effective December 1, 2004 (Plan No. 25656)
32. Agreement for Administrative Services Only
33. Amendment Agreement No. 2 for Administrative Services Only (CUCW Local 1, COEU, Divisions 001 and 040)
34. HWT Financial Statements for the year ended December 31, 1982
35. HWT Financial Statements for the year ended December 31, 1983
36. HWT Financial Statements for the year ended December 31, 1984
37. HWT Financial Statements for the year ended December 31, 1985
38. HWT Financial Statements for the year ended December 31, 1986
39. HWT Financial Statements for the year ended December 31, 1987
40. HWT Financial Statements for the year ended December 31, 1988
41. HWT Financial Statements for the year ended December 31, 1989
42. HWT Financial Statements for the year ended December 31, 1990
43. HWT Financial Statements for the year ended December 31, 1991
44. HWT Financial Statements for the year ended December 31, 1992
45. HWT Financial Statements for the year ended December 31, 1993
46. HWT Financial Statements for the year ended December 31, 1994
47. HWT Financial Statements for the year ended December 31, 1995
48. HWT Financial Statements for the year ended December 31, 1996
49. HWT Financial Statements for the year ended December 31, 1997
50. HWT Financial Statements for the year ended December 31, 1998
51. HWT Financial Statements for the year ended December 31, 1999
52. HWT Financial Statements for the year ended December 31, 2000
53. HWT Financial Statements for the year ended December 31, 2001

<b>Document</b>
54. HWT Financial Statements for the year ended December 31, 2002
55. HWT Financial Statements for the year ended December 31, 2003
56. HWT Financial Statements for the year ended December 31, 2004
57. HWT Financial Statements for the year ended December 31, 2005
58. HWT Financial Statements for the year ended December 31, 2006
59. HWT Financial Statements for the year ended December 31, 2007
60. HWT Financial Statements for the year ended December 31, 2008
61. Analysis of the Funding Status of Northern Telecom Limited Pensioner's Insurance Fund as at January 1, 1993
62. Analysis of the Funding Status of Northern Telecom Limited Pensioner's Insurance Fund as at January 1, 1998
63. Analysis of the Funding Status of Northern Telecom Limited Pensioner's Insurance Fund as at January 1, 2002
64. Mercer Valuation of Post-Employment Benefit Liabilities for Accounting purposes as at September 30, 2003
65. Mercer Estimate of Post-Employment Benefit Liabilities for Accounting purposes as at September 30, 2004
66. Mercer Valuation of Post-Employment Benefit Liabilities for Accounting Purposes as at September 30, 2006
67. Mercer Valuation of Post-Employment Benefit Liabilities for Accounting Purposes as at September 30, 2007
68. Mercer Valuation of Post-Employment Benefit Liabilities for Accounting Purposes as at December 31, 2008
69. Mercer Report on Non-Pension Post-Retirement Net Periodic Benefit Cost and Disclosure as at December 31, 2005
70. Mercer Report on Non-Pension Post-Retirement Benefit Net Periodic Benefit Cost and Disclosure as at December 31, 2006
71. Mercer Report on Non-Pension Post-Retirement Net Periodic Benefit Cost and Disclosure as at December 31, 2007
72. Mercer Report on Non-Pension Post-Retirement Net Periodic Benefit Cost and Disclosure as at December 31, 2008
73. Mercer letter regarding Estimate of 2008 Canadian Post-Employment Expense dated January 15, 2008
74. Mercer letter regarding Survivor Death Benefits – Estimated Adjustments to Historical PRB Expense dated April 30, 2008

<b>Document</b>
75. Canada – Benefits – Flex 2008 Enrolment Guide
76. Canada – Benefits – Flex 2008 New Hire Benefits Information
77. Flex 2008 Handbook
78. 2009 Enrolment Overview Guide
79. 2009 Nortel Health & Group Benefits Handbook
80. Pensioner Health Care Plan – Traditional Program – Grandfathered Employees
81. Pensioner Health Care Plan – Traditional Program – Grandfathered Employees – Quebec
82. Retiree Healthcare and Life Benefits – Balanced Program
83. Retiree Healthcare and Life Benefits – Balanced Program – Quebec
84. Retiree Healthcare and Life Benefits – Traditional Program – Quebec
85. Retiree Healthcare and Life Benefits – Traditional Program
86. Retiree Drug Plans – Investor Program – Quebec
87. Sun Life Letter dated May 6, 2004
88. Sun Life Letter dated April 29, 2005
89. Financial Experience Report Basic Life For the Period: January 1, 2005 to December 31, 2005
90. Financial Experience Report Optional Life For the Period: January 1, 2005 to December 31, 2005
91. Financial Experience Report Basic Life For the Period: January 1, 2006 to December 31, 2006
92. Financial Experience Report Optional Life For the Period: January 1, 2006 to December 31, 2006
93. Sun Life Letter dated March 25, 2008
94. Financial Report Basic Life For the Period: January 1, 2007 to December 31, 2007
95. Financial Report Optional Life For the Period: January 1, 2007 to December 31, 2007
96. Sun Life Letter dated April 2, 2009

<b>Document</b>	
97.	Financial Report Basic Life For the Period: January 1, 2008 to December 31, 2008
98.	Financial Report Optional Life For the Period: January 1, 2008 to December 31, 2008
99.	Sun Life Letter dated March 2, 2010
100.	Financial Report Basic Life For the Period: January 1, 2009 to December 31, 2009
101.	Financial Report Optional Life For the Period: January 1, 2009 to December 31, 2009
102.	Health and Welfare Trust Tax Returns 2005 to 2009
103.	Certain Other Additional Documents that are subject to confidentiality restrictions with third parties

5880084

## **APPENDIX “MMM”**

# KOSKIE MINSKY<sub>LLP</sub>

BARRISTERS & SOLICITORS

August 26, 2010

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## By E-Mail

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Dear Sirs/Mesdames:

**Re: Court File No. 09-CL-7950 - Nortel CCAA Application**  
**Re: Motion to Distribute Health and Trust Fund Assets**  
**Our File No. 09/0479**

Further to our recent correspondence with Mr. Rochon, we confirm our advice to you that in view of the uncertainties in the interpretation of the Health and Welfare Trust termination provisions we advised the Monitor that each of the Court-appointed representatives were obtaining independent legal advice regarding the potential allocation of the HWT assets on termination. Accordingly Ms. Kennedy, representing the disabled employees on the one hand, and Messrs. Sproule, Archibald and Campbell, representing the former employees on the other hand, retained independent counsel to advise them on this issue in June 2010. The disabled employee group retained the Sack Goldblatt Mitchell firm in Ottawa as represented by Peter Engelmann and Fiona Campbell, and the former employees retained Lerner and Mr. William Pepall.

On August 11, 2010 Mr. Rochon filed a motion alleging that we were in a conflict of interest position and requesting that his firm be appointed as representative counsel and that Ms. Arlene Borenstein be reappointed as the representative for the disabled employees. While it is the position of both of our client groups that this motion is ill founded and without merit, we do not wish these allegations to stand in the way of the crucial matter of determining the allocation of the HWT assets before December 31, 2010, when the payments under the Settlement Agreement will cease. Accordingly, to avoid potential delay that might be caused by disputes concerning conflicts we have advised the Monitor and the Service List that we will not appear on the HWT Allocation Motion scheduled for September 29, 2010 and will not represent either of the disabled employee or former employee groups on the HWT Allocation Motion. We will continue to represent our clients in respect of all other aspects of the restructuring, until further order of the



Court. We have done our best to ensure that Sack Goldblatt Mitchell and Lerner have all the information and documentation which they require and have confidence in their ability to represent the client groups.

Yours truly,

**KOSKIE MINSKY LLP**



Mark Zigler

MZ:ds

c Service List  
Peter Engelmann, Sack Goldblatt LLP, Ottawa  
William Pepall, Lerner LLP

## **APPENDIX “NNN”**

# Beneficiary Estimated Allocation Statement

[Benefit Recipient's name and address; merge]

[Benefit Recipient's identification # merge]

## PRIVATE AND CONFIDENTIAL

### **Nortel's Health and Welfare Trust (the "HWT")**

As you know, Nortel Networks Corporation and certain of its Canadian subsidiaries (collectively, "Nortel") filed for protection from its creditors pursuant to provisions of the Companies' Creditors Arrangement Act ("CCAA") on January 14, 2009. Ernst & Young Inc. was appointed by the Ontario Superior Court of Justice (the "Court") as Monitor.

Nortel is in the process of realizing on its remaining assets and winding down operations. As part of this process and as per the settlement agreement approved by the Court on March 31, 2010, all non-pension income still being paid by Nortel to long term disability employees and surviving spouses and health care and life insurance benefits currently being paid by Nortel to long term disability employees, former employees and their survivors will terminate on December 31, 2010.

Since 1980, Nortel has administered various benefit programs through the HWT. The assets are insufficient to cover the full value of the benefits.

**The Settlement Agreement requires the parties to work towards a court-approved distribution of the HWT assets in 2010. The Monitor has filed with the Court a motion for approval of a proposed allocation method for the distribution of the assets held within the HWT. This motion is to be heard on September 29, 2010 in Toronto, Ontario and may be supported or opposed by other interested parties. Further information and copies of the relevant motion materials filed with the Court, including the Monitor's [●] report, can be obtained from the Monitor's website [www.ey.com/ca.nortel](http://www.ey.com/ca.nortel) or by contacting the Monitor at ●.**

The Monitor has analyzed the terms and provisions of the HWT agreement as well as other applicable documentation and has developed a proposed allocation method which is illustrated in the materials filed on the Monitor’s website.

You are receiving this notice as you are a recipient of long term disability benefits (“LTD-Income”), survivor income benefits (“SIB”) or survivor transition benefits (“STB”). Your court-appointed representatives have asked that each recipient of LTD-Income, SIB or STB be provided with an estimate of the lump sum distribution he or she will receive from the HWT based on the Monitor’s proposal.

**Estimate of your distribution from the HWT:**

The following is a preliminary estimate of your distribution from the HWT. This preliminary estimate is based upon membership data as at June 30, 2010 and assumes the Monitor’s proposal is approved by the Court. Your actual distribution will be based on information updated to December 31, 2010. Your estimated distribution from the HWT relating to income <and basic life insurance> **[NTD: include bracketed words for long term disability recipients only]** has been calculated by multiplying the estimated benefit value times the proposed distribution percentage. <The estimates for the benefit value of optional life or pensioner life benefits to which you may be entitled are yet to be determined as data to calculate these amounts for each individual is not currently available.> **[NTD: include bracketed words for long term disability recipients only]** No estimated distribution has been included with respect to medical benefits as medical benefits are not eligible for a distribution from the HWT under the Monitor’s proposal.

	<b>Your estimated benefit value</b>	<b>x</b>	<b>Proposed distribution percentage per Monitor proposal</b>	<b>=</b>	<b>Your estimated distribution lump sum payout</b>
Income benefit	<IBCLAIM>		<34.5%>		<IBLSUM>
[These next 3 rows for LTD recipients only] Life insurance benefit	<LICCLAIM>		<34.5%>		<LILSUM>
Optional life insurance benefit	TBD		<34.5%>		TBD
Pensioner life insurance benefit	TBD		<34.5%>		TBD

**Important: The amounts in the chart above are conditional upon court approval and could change depending on several factors which include, among others, the Court's determination as to the appropriate allocation methodology, the HWT assets available for distribution as at December 31, 2010, changes in status (e.g. death, recovery from LTD) and refinement of data with respect to actual eligible participants as at December 31, 2010.**

You should be aware a tax ruling has been sought from the Canada Revenue Agency as to whether these HWT payments can be made on a tax free basis.

In addition to your share of the distribution of assets from the HWT, you may also have a claim against the Nortel estates for any remaining unrecovered benefits, (including other benefits that are not part of the HWT distribution). The amount of such claims and timing of any recovery on such claims is uncertain at this time and will be the subject of a further Court motion. If you have other claims of this nature, you will receive additional future correspondence from the Monitor.

At the present time, you are not required to take any action. You will be provided with further information regarding the distribution of HWT assets in due course.

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

Court File No: 09-CL-7950

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF NORTEL  
NETWORKS CORPORATION *et al.*

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**FIFTY-FIRST REPORT  
OF THE MONITOR  
DATED AUGUST 27, 2010**

**GOODMANS LLP**

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

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

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**MOTION RECORD**

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