

APPENDIX "GGG"

06 February 2006

Valuation of the Obligations of the Health & Welfare Trust as at September 30, 2005 Nortel Networks Corporation

MERCER
Human Resource Consulting

The following table presents a reconciliation of Trust assets by benefit.¹⁹

	Retiree Life	LTD	SIB	Optional Life	Total
Balance at September 30, 2004	61,079	74,524	18,755	18,938	173,296
Contributions	-	(18,098)	-	2,183	(15,915)
Benefit payments	7,374	11,846	1,487	3,641	24,348
Investment income	3,133	3,822	972	977	8,904
Unrealized gains/(losses)	4,662	(2,302)	1,633	1,639	5,632
Balance at September 30, 2005	61,500	46,100	19,874	20,096	147,569

¹⁹ Figures are in thousands of Canadian dollars.