CITATION: Nortel Networks Limited (Re) , 2010 ONCA 402
DATE: 20100603
DOCKET: M38748

COURT OF APPEAL FOR ONTARIO

Winkler C.J.O., Goudge and MacPherson JJ.A.

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

Joel Rochon, John Archibald, and Sakie Tambakos, for the Objecting LTD Beneficiaries

Alan B. Merskey, and Suzanne M. Wood, for the Applicants

Mark Zigler, Susan Philpott, and Andrea McKinnon, for the Former Employees and Disabled Employees of Nortel

Barry E. Wadsworth, for the CAW-Canada, and George Borosh et al

Lyndon Barnes and Adam Hirsh, for the Boards of Directors of Nortel Networks Corporation and Nortel Networks Limited

Richard B. Swan, for the Informal Nortel Noteholder Group

Alex MacFarlane, for the Official Committee of Unsecured Creditors

Fred Myers, Gale Rubenstein, and Melaney Wagner for the Monitor, Ernst & Young Inc.

Considered in writing on : May 31, 2010

On leave to appeal from the order of the Honourable Justice Geoffrey P. Morawetz of the Superior Court of Justice, dated March 31, 2010

ENDORSEMENT

[1] Leave to appeal is denied.

[2] The moving parties have not demonstrated that they have been subjected to any procedural unfairness. They have been represented throughout in a case that has been carefully judicially managed from the beginning. Their counsel accepts the settlement. No other LTD beneficiaries assert any unfair process, and the applicants can show none that they have been exposed to.

[3] Nor have they been able to show any substantive unfairness in the settlement. The motion judge exercised his discretion to carefully balance the various interests at stake in approving the settlement. In our view he made no demonstrable error in doing so. The settlement cannot be said to be unreasonable.

[4] The motion is dismissed. No costs are sought by the respondent and none are ordered.

CTD

M. Rouleau J.A.

J.C. MacPherson J.A.