

Dissenting Nortel Disabled Former Employees

Media Release

Date: June 9, 2011, 12:30 P.M. EST

Subject: Supreme Court of Canada Denies Leave to Appeal to the Dissenting Nortel Disabled on the Nortel Health and Welfare Trust Wind-up Distribution and Awards Costs against Dissenting Nortel Disabled

The dissenting Nortel disabled are disappointed that the Supreme Court of Canada has denied their application for Leave to Appeal on the Nortel Health and Welfare Trust ("HWT") wind-up distribution and with the Court's decision to award costs against them. The dissenting Nortel disabled had sought to reverse a lower court decision which approved an allocation methodology of the HWT assets that included payment of future death benefits to living pensioners, which had the effect of diluting the existing claims of the disabled by \$30 million.

"While we were aware that only a limited number of leave applications are allowed by the Supreme Court, we were hopeful that the gravity of the situation facing the disabled and the broad legal issues raised by the motion judge's decision would have caught the attention of the country's highest Court", said Greg McAvoy, one of the Nortel disabled former employees.

http://scc.lexum.org/en/news_release/2011/11-06-09.3/11-06-09.3.html (Decision)

http://scc.lexum.org/en/news_release/2011/11-06-07.2a/11-06-07.2a.html (Case Description)

The Nortel disabled former employees now have only government solutions left to remedy their poverty and financial abuse.

1.1 million Canadians, who participate in employer sponsored disability insurance now face great uncertainty following the Supreme Court of Canada decision not to consider this case.

The dissenting Nortel disabled continue to meet with Federal Government officials to convince them of the need for Federal bankruptcy law amendments to give preferred status for employer sponsored disability insurance over the creditors at bankrupt corporations. The Federal Companies' Creditors Arrangement Act and Federal Bankruptcy and Insolvency Act need to provide the same priority for employer sponsored disability insurance at insolvent corporations as disability insurance policyholders get above the creditors at insolvent insurers under the Federal Winding-up and Insolvency Act.

Four of the dissenting Nortel disabled former employees have filed a Complaint to the Ontario Consumer Services Bureau under the Ontario *Consumer Protection Act*. This Complaint is against suppliers, Nortel Networks Ltd. and Sun Life Financial, for unfair practices, in the form of false, misleading or deceptive representations to Nortel's employees about its disability insurance. The disability insurance sponsored by Nortel and administered by Sun Life Financial

did not have the performance characteristics, benefits or qualities that were communicated to employees in the employee brochures and various interactions with the two suppliers.
The Ontario *Consumer Protection Act* Complaint is available at the following link:

[Complaint Application to Ontario Consumer and Business Services Ministry May 30, 2011](#)

For further information:

<i>Greg McAvoy</i>	jgmcavoy@shaw.ca	(403) 288-5568
<i>Carol Sampson</i>	sammygirl1@rogers.com	(613) 224-2791
<i>Josee Marin (Bilingual)</i>	marin.josee@sympatico.ca	(613) 678-2960
<i>Jackie Bodie</i>	jbodie@blinc.ca	(403) 247-8782
<i>Jennifer Holley</i>	jholley@xplornet.com	(613) 479-2653

Other Related Information:

[Systemic Failure of Employer Sponsored Disability Insurance June 2011](#)

[Application for Leave to Appeal to Supreme Court of Canada March 8, 2011](#)

[Arguments of Law Leave to Appeal to Supreme Court of Canada March 8, 2011](#)

[Endorsement Leave to Appeal HWT Distribution J. Weiler Jan. 7, 2011](#)

[Endorsement HWT Distribution J. Morawetz Nov. 9, 2010](#)

[HWT Wind-Up Distribution Court Transcript September 28, 29, Oct. 1, 2010](#)