

Table 1

Nortel Global Estate Cash for Unsecured Creditors	\$10,043
Nortel Global Estate Total Unsecured Creditor Claims	\$13,674
Cash Settlement Ratio - Nortel Global Estate	73%

Table 2

Analysis of Cash Settlement Ratios Under Different Scenarios	Scenario 1 Canada Pays Bond Guarantee 1st			Scenario 2 Shared Bond Guarantee	Scenario 3 US Pays Bond Guarantee 1st	Scenario 2 Shared Bond Guarantee
	Cash Settlement Ratio					
Canada	12%	21%	30%	35%	42%	71%
US Non-Bond	100%	100%	100%	93%	85%	73%
US Bond (Higher Due to NNI & NNL Guarantees)	97%	97%	97%	95%	83%	85%
EMEA	89%	85%	79%	83%	88%	70%
Lock-Box Asset Allocation						
Canada	25%	50%	50%	50%	50%	50%
US	50%	40%	30%	30%	30%	25%
EMEA	25%	10%	20%	20%	20%	25%
Inter-Country Creditor Claims						
IRS Advanced Pricing Agreement	-2,063	-2,063	-2,063	-2,063	-2,063	0
UK Pension	-935	-935	-935	-935	-935	0
EMEA Non-Trades Payable - % of Claim Accepted	100%	100%	25%	25%	25%	0%
EMEA Non-Trades Payable - \$ Claim Accepted	-9,726	-9,726	-2,431	-2,431	-2,431	0
Other	-463	-463	-463	-463	-463	0
Bond Guarantee Claim						
Canada First	100%	100%	100%	50%	0%	50%
US First	0%	0%	0%	50%	97%	50%
Canada Bond Contribution	-407	-797	-1,218	-714	-49	-1,431
US Bond Contribution	-3,529	-3,139	-2,718	-3,222	-3,936	-2,505

Table 3

Nortel Canada Disabled Former Employees Cash Settlement \$ and %	Scenario 1 Canada Pays Bond Guarantee 1st			Scenario 2 Shared Bond Guarantee	Scenario 3 US Pays Bond Guarantee 1st	Scenario 2 Shared Bond Guarantee
	Canada CCAA Cash Settlement Ratio	12%	21%	30%	35%	42%
Nortel Disabled Former Employees \$ Settlement						
Income - HWT & CCAA Settlements						
@ Mercers' \$80 M Actuarial Liabilities	\$33	\$38	\$43	\$46	\$49	\$64
Life Insurance - HWT & CCAA Settlements	\$3	\$4	\$4	\$5	\$5	\$6
Residual Actuarial Liabilities for CCAA Settlement	\$8	\$14	\$21	\$24	\$29	\$48
Total Settlement - \$	\$45	\$56	\$68	\$74	\$83	\$119
Nortel Disabled Former Employees % Settlement						
HWT Distribution for Income						
@ Mercers' \$80 M Actuarial Liabilities	42%	47%	54%	57%	62%	81%
HWT Distribution for Life Insurance	42%	47%	54%	57%	62%	81%
Residual Actuarial Liabilities for CCAA	12%	21%	30%	35%	42%	71%
Total Settlement - %	29%	36%	44%	48%	53%	76%

NOTES:

Impact of Higher Income Actuarial Liability	Scenario 1 Canada Pays Bond Guarantee 1st			Scenario 2 Shared Bond Guarantee	Scenario 3 US Pays Bond Guarantee 1st	Scenario 2 Shared Bond Guarantee
	Canada CCAA Cash Settlement Ratio	12%	21%	30%	35%	42%
@ \$104 M Income Actuarial Liabilities - \$	\$36	\$43	\$50	\$54	\$59	\$81
@ \$104 M Income Actuarial Liabilities - %	35%	41%	49%	52%	57%	78%
Total Settlement - \$	\$48	\$61	\$75	\$83	\$93	\$136
Total Settlement - %	27%	34%	42%	46%	52%	75%

Actuarial Liabilities By Type	Low Case	High Case
Income	\$80	\$104
HWT Settlement Ratio for Income	34%	26%
Life Insurance	\$8	\$8
Medical & Dental	\$30	\$30
Pension Accruals	\$26	\$26
Post Retirement Medical & Dental	\$13	\$13
Total	\$157	\$180

% of EMEA Claims Accepted	@0%	@ 25%	@ 100%
Inter-Country Creditor Claims Total	-3,461	-5,892	-13,187