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September 3, 2010

Diane Urquhart
Independent Financial Analyst
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Canada

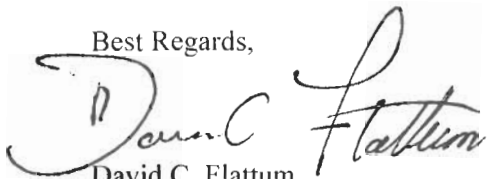
Re: Nortel Canada Health and Welfare Trust

Dear Ms. Urquhart:

The letter is in response to your email dated August 13, 2010 to Messrs. Bill Gross, Mohamed El-Erian and Ed Devlin. Your email demonstrates that the failure of company can have far reaching personal consequences that are not reflected in financial statements and court filings. In particular, we have sympathy for the hardship on the Canadian disabled workers who are beneficiaries of the Nortel Canada Health and Welfare Trust that you describe in your letter. Thank you for bringing this matter to our attention.

As an SEC-registered investment manager, PIMCO has a fiduciary duty to its clients and is subject to regulatory and contractual requirements to act in the best interests of its clients at all times. The funds that we oversee are not our own - they are those of our clients. In evaluating any potential settlement, PIMCO must consider how any potential settlement would affect its clients' interests. While we cannot now state how we might vote on any particular matter, we will consider all relevant factors at the time. We wish you the very best in your endeavors.

Best Regards,



David C. Flattum
Managing Director & General Counsel
PIMCO

cc: Bill Gross
Mohamed El-Erian
Ed Devlin