



NOV 10 2016

EMAIL

Ms. Diane Urquhart
Urquhart@rogers.com

Dear Ms. Urquhart,

Thank you for your recent emails to the Honourable Navdeep Bains, Minister of Innovation, Science and Economic Development (ISED) regarding the treatment of long-term disability (LTD) benefits in the insolvency proceedings of Nortel Networks. Minister Bains has asked that I reply on his behalf.

First, on behalf of Minister Bains, let me thank you, Hugh Urquhart, Greg McAvoy and Jennifer Holley for your presentation to ISED officials on August 25th, 2016 and your contributions in a subsequent telephone conference on October 28, 2016. The Department benefits from hearing proposals directly from affected persons, and always welcomes views on potential insolvency reforms. In particular, I would note that the information and perspective you provided on behalf of the former Nortel LTD beneficiaries contributes to our understanding of the challenges they continue to face as a result of the Nortel insolvency.

As ISED officials advised during the August 25 and October 28 discussions, your proposals for *Bankruptcy and Insolvency Act* and *Companies' Creditors Arrangement Act* reform have significant insolvency policy implications and potentially significant economic consequences. Accordingly, legislative or regulatory action to implement your proposals must be considered in this context. Any changes to insolvency and restructuring law must be evidence-based and consistent with domestic policy objectives and Canada's international commitments. We have reviewed your proposals with this framework in mind, as we continue to ensure that the insolvency regime meets its policy objectives.

Thank you and your colleagues again for your efforts and interest on these important matters, and please accept my best wishes.

Sincerely,



Mitch Davies
Assistant Deputy Minister, Strategic Policy Sector

c.c. Mr. Greg McAvoy
(dignum.mcavoy@gmail.com)