

Agreement executed on November 21, 2006. As a result NNL guarantees NNUK's performance under the November 21, 2006 Funding Agreement. The table also does not include an intercompany guarantee agreement whereby NNL indemnifies the trustees of the U.K. Fund on the insolvency of NNUK and consequent windup of the U.K. plan.

Acquisitions

As a result of the acquisitions made in 2008, we may be liable for future cash obligations of up to \$17 based on the achievement of future business milestones. See "Other Significant Business Developments—Acquisitions and Divestitures" in this section of this report for additional information. This amount has been classified as "Thereafter" as we are unable to reasonably project the ultimate amount or timing of settlement of these contingent payments.

Other long-term liabilities reflected on the balance sheet

Other long-term liabilities reflected on the balance sheet relate to asset retirement obligations and deferred compensation accruals. Payment information related to our asset retirement obligations has been presented based on the termination date after the first renewal period of the associated lease contracts. Payment information related to our deferred compensation accruals has been presented based on the anticipated retirement dates of the employees participating in the programs.

Future Sources of Liquidity

Available support facility

In 2003, NNL entered into the \$750 EDC Support Facility with EDC. NNL's obligations under the EDC Support Facility are guaranteed by NNI. The EDC Support Facility's termination date is December 31, 2011, subject to automatic annual renewal of the facility each following year, unless either party provides written notice to the other of its intent to terminate.

As of December 31, 2008, the EDC Support Facility provided for up to \$750 in support including:

- \$300 of committed revolving support for performance bonds or similar instruments with individual amounts of up to \$25, of which \$125 was outstanding; and
- \$450 of uncommitted revolving support for performance bonds or similar instruments and/or receivables sales and/or securitizations, of which \$63 was outstanding.

The EDC Support Facility provides that EDC may suspend its obligation to issue NNL any additional support if events occur that could have a material adverse effect on NNL's business, financial position or results of operation. In addition, the EDC Support Facility can be suspended or terminated if an event of default has occurred and is continuing under the EDC Support Facility or if NNL's senior unsecured long-term corporate debt rating by Moody's has been downgraded to less than B3 or if its debt rating by S&P has been downgraded to less than B-.

On December 15, 2008, following a downgrade by Moody's of NNC's corporate family rating to Caa2, NNL executed a standstill and waiver agreement with EDC.

Effective January 14, 2009, due to the Creditor Protection Proceedings, NNL entered into an agreement with EDC to permit continued access by NNL to the EDC Support Facility for an interim period to February 13, 2009, for up to \$30 of support based on our then estimated requirements over the period. On February 10, 2009, EDC agreed to extend this interim period to May 1, 2009. This support is secured by a charge on the Canadian Debtors' assets. See the Properties section of our 2008 Annual Report. In this agreement, EDC also agreed to waive certain conditions and temporarily refrain from acting with respect to certain events of default relating to the Creditor Protection Proceedings and certain credit rating events. We and EDC continue to work together to see if a longer term arrangement, acceptable to both parties, can be reached.

Credit Ratings

On November 10, 2008, S&P placed NNL's Corporate Credit Rating on CreditWatch with negative implications and at the same time revised the ratings on NNL's preferred shares to C from CCC-. On December 15, 2008 Moody's downgraded NNC's Ratings to Caa2 from B3 and the Rating on NNL's preferred shares to Ca from Caa1. On January 14, 2009 S&P lowered NNL's Corporate Credit Rating to D from B- and at the same time lowered the ratings on NNL's preferred shares to D from C. On January 15, 2009 Moody's downgraded NNC's Ratings to Ca from Caa2 and the rating on NNL's preferred shares to C from Ca and following these rating actions has withdrawn all ratings.

Off-Balance Sheet Arrangements

Bid, Performance-Related and Other Bonds

During the normal course of business, we provide bid, performance, warranty and other types of bonds, which we refer to collectively as bonds, via financial intermediaries to various customers in support of commercial contracts, typically for the supply of