## Urquhart

**From:** Urquhart <urquhart@rogers.com>
**Sent:** January-22-14 10:27 PM
**To:** Charlotte Urquhart (curquhart@urquhartforensics.com)
**Cc:** Diane & Hugh Urquhart (urquhart@rogers.com); 'Joel Rochon (jrochon@rochongenova.com)'; Peter Jervis (pjervis@rochongenova.com); Remissa Hirji (rhirji@rochongenova.com)
**Subject:** Northern Trust as Trustee Versus Custodian

John Doolittle, Nortel VP Tax (and the Nortel CCAA Leader after CEO Mike Zafirovsky left) declared in the Nortel HWT Tax Filing for 2005 in the excerpt shown below **that the terms of the trust were not amended or varied since June 18, 1971**. He could not have said so if the **Letter From Nortel To Northern Trust Dec. 1, 2005** was to be officially considered an amendment of the Trustee Agreement created on Jan. 1, 1980. Otherwise John Doolittle was lying on the Nortel HWT Tax Filing for 2005.

I took a look at the HWT Administration Fees and have two preliminary conclusions:

1) The fee % did not decline materially after Northern Trust was hired, which it should have done if its duties were strictly custodial and much less onerous than Royal Trust and predecessor trust companies.
2) The fee % charged by Northern Trust during 2006-2009 are in the range of 0.23% to 0.30% of net assets, which is substantially higher than custodian fees, which are usually in the range of 0.02% to 0.08% of assets.

Diane

Health and Welfare 2006-03-2 Apr. 26. 2010 1:36PM NORTEL 2005-12-31 No. 1533 P. 1 Health & Welf. T10-3433-

Canada Customs and Revenue Agency — Agence des douanes et du revenu du Canada

Do not use this area 200

**T3 TRUST INCOME TAX AND INFORMATION RETURN**

Legislative references on this return refer to the *Income Tax Act* and *Income Tax Regulations*.
All references to "the guide" on this return refer to the *T3 Trust Guide*.

**Step 1 – Identification and other required information**

Name of trust: Nortel Networks Health & Welfare Trust
Name of trustee, executor, liquidator, or administrator: The Northern Trust Company
Mailing address of trustee, executor, liquidator, or administrator: 161 Bay Street, Suite 4540, Toronto, Ontario
Trust account number: T10-3433-06
Do not use this area
Telephone number: (416) 365-7161
Postal code: M5J 2S1
Mailing address, if different than trustee (or name and mailing address of the contact person, if different): Nortel Networks, 8200 Dixie Road, Suite 100, Brampton, Ontario
Telephone number: (905) 863-6215
Postal code: L6T 5P6

Residence of trust at end of taxation year — Country (if other than Canada); If Canada, state the province or territory: Ontario
Is this a Yukon First Nation (FN) trust? No [X] Yes [ ] If *yes*, give the FN name and identification number.
If the trust had business income in the year, state the province(s) or territory(ies) where that income was earned.
If the trust became or ceased to be a resident of Canada in the year, give the date it: became resident — Year Month Day; or ceased residence — Year Month Day

**Type of trust**

Testamentary
[ ] Spousal or common-law partner — Date of death: Year Month Day
[ ] Other — Social insurance number of deceased

Inter vivos — Date trust was created: Year Month Day 1980-01-01
[ ] Spousal or common-law partner
[ ] Unit
[ ] Mutual fund
[ ] Communal organization
[ ] Employee benefit plan
Insurance segregated fund
[ ] Non-profit organization – Business Number:
[ ] Employee trust
[ ] Personal trust
[ ] Joint spousal or common-law partner trust
[ ] Alter ego trust

**Return for taxation year**

from Year Month Day 2005-01-01 to Year Month Day 2005-12-31

Is this the first year of filing a T3 return? No [X] Yes [ ]
If *no*, for what year was the last return filed? Year
If *yes*, attach a copy of the trust document or will, and a list of assets at death (unless filed with the deceased's final T1 return). Attached [ ] With T1 [ ]
Is this an amended return? No [X] Yes [ ]
Address on last return is same as above, or the following: Same [ ]