

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.
JUSTICE NEWBOULD

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THURSDAY, THE 1ST DAY
OF DECEMBER, 2016

IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT,

R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF NORTEL NETWORKS CORPORATION,
NORTEL NETWORKS LIMITED, NORTEL NETWORKS
GLOBAL CORPORATION, NORTEL NETWORKS
INTERNATIONAL CORPORATION, NORTEL NETWORKS
TECHNOLOGY CORPORATION, NORTEL
COMMUNICATIONS INC., ARCHITEL SYSTEMS
CORPORATION AND NORTHERN TELECOM CANADA
LIMITED

APPLICATION UNDER THE COMPANIES' CREDITORS
ARRANGEMENT ACT,

R.S.C. 1985, c. C-36, AS AMENDED

PLAN FILING AND MEETING ORDER

THIS MOTION, made by Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Technology Corporation, Nortel Networks Global Corporation, Nortel Networks International Corporation, Nortel Communications Inc., Architel Systems Corporation and Northern Telecom Canada Ltd. (collectively, the "**Canadian Debtors**") jointly with Ernst & Young Inc. in its capacity as monitor of the Canadian Debtors (the "**Monitor**" and together with the Canadian Debtors, the "**Moving Parties**") for an order, *inter alia*, (a) accepting the filing of the Plan, (b) authorizing the classification of creditors for purposes of voting on the Plan, (c) authorizing and directing the Monitor to call, hold and conduct a meeting of Affected Unsecured



Creditors to consider and vote on a resolution to approve the Plan, (d) authorizing and directing the mailing and distribution of the Meeting Materials, (e) approving the procedures to be followed with respect to the meeting of Affected Unsecured Creditors, and (f) setting a date for the hearing of the Moving Parties' motion for Court approval of the Plan, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the One Hundred and Thirty Third report of the Monitor dated November 23, 2016 (the "**One Hundred and Thirty Third Report**"), the responding Motion Record of the UKPI (defined below), and on hearing the submissions of counsel for the Monitor and those other parties present, no other parties appearing for the other parties served with the Motion Record, although duly served as appears from the affidavit of service, filed:

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion, the Motion Record and the One Hundred and Thirty Third Report is hereby abridged and validated such that this Motion is properly returnable today and service upon any interested party other than those parties served is hereby dispensed with.

DEFINITIONS

2. THIS COURT ORDERS that for the purposes of this Meeting Order, in addition to the terms defined elsewhere in this Meeting Order or in the Plan, the following terms shall have the following meanings:

- (a) "**1988 Bondholder**" means a holder of one or more 1988 Bonds on the Voting Record Date including any Beneficial Bondholder holding 1988 Bonds;
- (b) "**1988 Bondholder Claim**" means a Voting Claim by a 1988 Bondholder in respect of 1988 Bonds;
- (c) "**1988 Bonds**" has the meaning given to it in subparagraph 2(bbbbbb)(iii);
- (d) "**Affected Claim**" means an Affected Claim under the Plan;

- (e) **“Affected Creditor”** means an Affected Creditor under the Plan;
- (f) **“Affected Unsecured Claim”** means any Affected Claim that is not a Director/Officer Claim or an Equity Claim;
- (g) **“Affected Unsecured Creditor”** means any holder of an Affected Unsecured Claim, but only with respect to and to the extent of such Affected Unsecured Claim;
- (h) **“Affected Unsecured Creditors Class”** has the meaning given to it in paragraph 10;
- (i) **“Beneficial Bondholder”** means a beneficial owner of any Bonds as at the Voting Record Date;
- (j) **“Bondholder”** means, as at the Voting Record Date, a registered or beneficial holder of a Bond, as the context requires, in such capacity;
- (k) **“Bondholder Claim”** means a Claim held by a Bondholder in respect of the Bonds;
- (l) **“Bondholder Claim Amount”** has the meaning given to it in paragraph 44;
- (m) **“Bondholder Mailing Materials”** has the meaning given to it in paragraph 21;
- (n) **“Bondholder Meeting Materials”** has the meaning given to it in subparagraph 2(iii)(vi);
- (o) **“Bondholder Proxy”** means a proxy substantially in the form of Schedule **“C-3”**, to be completed by Beneficial Bondholders in accordance with the terms of this Meeting Order and the Instructions to Bondholders;
- (p) **“Bonds”** means the Crossover Bonds, 1988 Bonds and NNCC Bonds and any bond, notes or debenture issued in substitution or replacement thereof and **“Bond”** means any one of them;

- (q) **“Business Day”** means a day, other than Saturday, Sunday or a statutory holiday, on which banks are generally open for business in both Toronto, Ontario, Canada and New York, New York, U.S.A.;
- (r) **“Canadian Debtors”** has the meaning given to it in the preamble;
- (s) **“Canadian Pension Claims”** has the meaning given to it in the Plan;
- (t) **“Canadian Registered Pension Plans”** has the meaning given to it in the Plan;
- (u) **“CCAA Court”** means the Ontario Superior Court of Justice (Commercial List);
- (v) **“CCAA Proceedings”** means these proceedings commenced by the Canadian Debtors pursuant to the CCAA;
- (w) **“Chair”** has the meaning given to it in paragraph 31;
- (x) **“Claim”** has the meaning given to it in the applicable Claims Orders but shall not include a Director/Officer Claim;
- (y) **“Claims Orders”** means, as the context requires, any or all of the following Orders of the CCAA Court: the Claims Procedure Order, the Compensation Claims Procedure Order, the Claims Resolution Order, the Order approving the Cross-Border Claims Protocol dated September 16, 2010; the EMEA Claims Procedure Order dated January 14, 2011, the Intercompany Claims Procedure Order dated July 27, 2012, the Order dated September 29, 2016 in respect of Claims against the New Applicants; and the Post-Filing Claims Bar Date Order;
- (z) **“Claims Procedure Order”** means the Claims Procedure Order made by the CCAA Court dated July 30, 2009, as amended and restated on October 7, 2009;
- (aa) **“Claims Resolution Order”** means the Claims Resolution Order dated September 16, 2010;
- (bb) **“Compensation Claims”** has the meaning given to it in the Compensation Claims Procedure Order;

- (cc) **“Compensation Claims Procedure Order”** means the Compensation Claims Procedure Order of the CCAA Court dated October 6, 2011, including the Compensation Claims Methodology Order of the CCAA Court dated October 6, 2011;
- (dd) **“Compensation Creditor”** means a Creditor who is a holder of a Compensation Claim and who, as of the date of this Meeting Order, continues to be represented by a Representative and Representative Counsel pursuant to the Representation Orders or by Unifor;
- (ee) **“Compensation Creditor Mailing Materials”** has the meaning given to it in paragraph 15;
- (ff) **“Compensation Creditor Meeting Materials”** has the meaning given to it in subparagraph 2(iii)(vii);
- (gg) **“Crossover Bondholder Claim”** means a Voting Claim of a Crossover Bondholder in respect of Crossover Bonds, the aggregate amount of all Crossover Bondholder Claims being US\$3,940,750,260;
- (hh) **“Crossover Bondholder”** means a holder of one or more Crossover Bonds on the Voting Record Date including any Beneficial Bondholder holding Crossover Bonds;
- (ii) **“Crossover Bonds”** has the meaning given to it in subparagraph 2(bbbbbb)(ii);
- (jj) **“Depository”** means The Depository Trust Company or agency of similar nature;
- (kk) **“Directors”** means all former directors (or their estates) of the Canadian Debtors, in such capacity, and **“Director”** means any one of them;
- (ll) **“Directors / Officer Claim”** means any right or claim of any Person howsoever arising against one or more of the Directors or Officers for which any Director or Officer of a Canadian Debtor is alleged to be by statute or otherwise by law liable to pay in his or her capacity as a Director or Officer, whether or not such right or

claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any claim, matter, action, cause or chose in action, whether existing at present or commenced in the future, and shall include any “Director/Officer Claim” (as such term is defined in the Claims Procedure Order without reference to the exclusion of any claims in such definition);

- (mm) **“Duplicative Voting Claim”** means a Voting Claim that, absent substantive consolidation under this Meeting Order and the Plan, would have been a Voting Claim against more than one of the Canadian Debtors based on the same underlying debt or obligation;
- (nn) **“Epiq”** means Epiq Bankruptcy Solutions, LLC;
- (oo) **“Equity Claim”** means a Claim that is in respect of an Equity Interest, including a claim for, among others: (i) a dividend or similar payment; (ii) a return of capital; (iii) a redemption or retraction obligation; (iv) a monetary loss resulting from the ownership, purchase or sale of an Equity Interest or from the rescission or, in Quebec, annulment, of a purchase or sale of an Equity Interest, or (v) contribution or indemnity in respect of a claim referred to in any of the foregoing (i) through (iv);
- (pp) **“Equity Claimant”** means any Person with an Equity Claim or holding an Equity Interest, but only in such capacity;
- (qq) **“Equity Interest”** means a share of a Canadian Debtor, or a warrant or option or another right to acquire a share in a Canadian Debtor, including the common shares of NNC and the preferred shares of NNL;
- (rr) **“Indenture Trustees”** means the indenture trustees (or their successors and assigns) under the Trust Indentures;

- (ss) **“Information Circular”** means the information circular dated November 30, 2016 in respect of the Plan, as the same may be amended, supplemented or restated from time to time;
- (tt) **“Intercompany Claims”** means a Claim by a Nortel Group entity (including by any administrator, liquidator, receiver, trustee, office holder or similar official appointed in respect thereof) against a Canadian Debtor, including those unsecured intercompany claims against the Canadian Debtors set out in Schedule “C” to the Plan;
- (uu) **“Initial Order”** means initial order dated January 14, 2009, as amended and restated from time to time;
- (vv) **“Instructions”** means the Instructions to Bondholders and Instructions to Ordinary Creditors;
- (ww) **“Instructions to Bondholders”** means, as the context requires, the Instructions to Participant Holders or Instructions to Beneficial Bondholders;
- (xx) **“Instructions to Ordinary Creditors”** means the instructions substantially in the form attached as Schedule **“B-1”** hereto;
- (yy) **“Instructions to Participant Holders”** means the instructions to Participant Holders substantially in the form attached as Schedule **“C-1”** hereto;
- (zz) **“Instructions to Beneficial Bondholders”** means the instructions to Beneficial Bondholders substantially in the form attached as Schedule **“C-2”** hereto;
- (aaa) **“Latest Known Address”** means, with respect to any Creditor, the address on file with the Canadian Debtors or the Monitor as of the date of this Meeting Order as the primary address for contact for such Creditor and shall not include any secondary or additional addresses that may have been provided by such Creditor;

- (bbb) **“Letter to Compensation Creditors”** means the form of letter to be sent to Compensation Creditors substantially in the form attached as Schedule **“A-3”** hereto;
- (ccc) **“Letter to Ordinary Creditors and Bondholders”** means the form of letter to be sent to Ordinary Creditors and Bondholders substantially in the form attached as Schedule **“A-2”** hereto;
- (ddd) **“Mailing Agent”** means Broadridge Financial Solutions, Inc. and any other mailing agent used by any Participant Holder to distribute materials to Beneficial Bondholders;
- (eee) **“Mailing Date”** means the date to be selected by the Monitor on which the Monitor shall make the mailings contemplated by paragraphs 13, 21 and 24 of this Meeting Order, which date shall be within seven (7) Business Days of the date of this Meeting Order;
- (fff) **“Master Authentication Form”** means the form of master authentication form to be submitted by Participant Holders to Epiq attaching the Beneficial Bondholder Proxies received by Participant Holders and validating the holdings of such Beneficial Bondholders, substantially in the form attached as Schedule **“C-4”** hereto;
- (ggg) **“Meeting”** means the meeting of the Affected Unsecured Creditors Class, and any extension or adjournment thereof, that is called and conducted in accordance with this Meeting Order for the purpose of considering and voting on the Plan;
- (hhh) **“Meeting Date”** means the date and time for the Meeting to be selected by the Monitor, which date shall be on or about January 17, 2017 (unless extended in accordance with the terms of this Meeting Order);
- (iii) **“Meeting Materials”** means:
 - (i) the Publication Notice;

- (ii) the Plan;
 - (iii) the Information Circular;
 - (iv) the Meeting Order and any endorsement or reasons;
 - (v) as it relates to Ordinary Creditors, the Letter to Ordinary Creditors and Bondholders, a blank form of the Voting Proxy and Instructions to Ordinary Creditors (together with the documents set out in (i) through (iv) above, the **“Ordinary Creditor Meeting Materials”**);
 - (vi) as it relates to Bondholders, the Letter to Ordinary Creditors and Bondholders and (A) with respect to Beneficial Bondholders, a blank form of Bondholder Proxy and Instructions to Beneficial Bondholders, and (B) with respect to Participant Holders, a blank form of Master Authentication Form and Instructions to Participant Holders (together with the documents set out in (i) through (iv) above, the **“Bondholder Meeting Materials”**);
 - (vii) as it relates to Compensation Creditors, the Letter to Compensation Creditors (together with the documents set out in (i) through (iv) above, the **“Compensation Creditor Meeting Materials”**);
- (jjj) **“Meeting Order”** means this Meeting Order, as it may be amended by any further Order of the CCAA Court;
- (kkk) **“Monitor”** has the meaning given to it in the preamble;
- (lll) **“Monitor’s Powers Orders”** means the following orders of the CCAA Court: (i) the Initial Order; (ii) the Claims Orders; (iii) the Order dated August 14, 2009; (iv) the Order (Monitor’s Expansion of Power Order #2) dated October 3, 2014; (v) the New Applicants Order; and (vi) this Meeting Order;
- (mmm) **“Monitor’s Website”** means the website maintained by the Monitor in respect of the CCAA Proceedings at the following address: www.ey.com/ca/nortel;
- (nnn) **“Moving Parties”** has the meaning given to it in the preamble;

- (ooo) “**New Applicants**” means Nortel Communications Inc., Architel Systems Corporation and Northern Telecom Canada Ltd;
- (ppp) “**New Applicants Order**” means the Order of the CCAA Court dated March 18, 2016 in Court File No. CV-16-11312-00CL;
- (qqq) “**New Restructuring Claim**” means a Restructuring Claim (as defined in the Claim Procedure Order) arising after the Mailing Date;
- (rrr) “**NNC**” means Nortel Networks Corporation;
- (sss) “**NNCC Bondholder**” means a Registered, Unregistered or Beneficial Bondholder holding one or more NNCC Bonds;
- (ttt) “**NNCC Bondholder Claim**” means a Voting Claim of a NNCC Bondholder in respect of NNCC Bonds, the aggregate amount all NNCC Bondholder Claims being US\$150,951,562;
- (uuu) “**NNCC Bonds**” has the meaning given to it in subsection 2(bbbbbb)(iv);
- (vvv) “**NNI Unsecured Claim**” means the allowed unsecured Voting Claim of Nortel Networks Inc. against Nortel Networks Limited in the amount of US\$2.0 billion pursuant to the Final Canadian Funding and Settlement Agreement dated as of December 23, 2009 and approved by an Order of the CCAA Court dated January 21, 2010;
- (www) “**NNL**” means Nortel Networks Limited;
- (xxx) “**NNUK Claim**” means the Proven NNUK Claim and, the Contingent Additional NNUK Claim (as both terms are defined in the Plan);
- (yyy) “**Notice to Affected Unsecured Creditors**” means the notice to Affected Unsecured Creditors substantially in the form attached as Schedule “**A-1**” hereto;
- (zzz) “**Officers**” means all former officers (or their estates) of the Canadian Debtors, in such capacity, and “**Officer**” means any one of them;

- (aaaa) **“One Hundred and Thirty First Report”** means the one hundred and thirty-first report of the Monitor dated November 4, 2016;
- (bbbb) **“Ordinary Creditor”** means a Creditor with an Ordinary Creditor Claim, other than Compensation Creditors;
- (cccc) **“Ordinary Creditor Claim”** means an Affected Unsecured Claim that is not a Bondholder Claim and, for greater certainty, includes the UKPI Claim, NNUK Claim, Canadian Pension Claims, Compensation Claims, Intercompany Claims and NNI Unsecured Claim;
- (dddd) **“Ordinary Creditor Mailing Materials”** has the meaning given to it in paragraph 13;
- (eeee) **“Ordinary Creditor Meeting Materials”** has the meaning given to it in subparagraph 2(iii)(v);
- (ffff) **“Participant Holder”** means a Person whose name appears on any of the Participant Holders Lists as at the Voting Record Date but who is not a Beneficial Bondholder;
- (gggg) **“Participant Holders List”** means the list of Participant Holders to be provided by the Depositories in accordance with the terms of this Meeting Order;
- (hhhh) **“Person”** means any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, union, joint venture, government or any agency, officer or instrumentality thereof or any other entity;
- (iiii) **“Plan”** means the plan of compromise and arrangement dated November 30, 2016 filed by the Moving Parties, as such plan of compromise and arrangement may be amended, supplemented or restated from time to time in accordance with the terms hereof;
- (jjjj) **“Post-Filing Claims”** has the meaning given to it in the Post-Filing Claims Bar Date Order;

- (kkkk) **“Post-Filing Claims Bar Date Order”** means the Order of the CCAA Court dated December 1, 2016 calling for Post-Filing Claims;
- (llll) **“Proof of Claim”** means the “Proof of Claim” referred to in any of the Claims Orders, as applicable;
- (mmmm) **“Proven Affected Unsecured Claim”** means a Proven Affected Unsecured Claim under the Plan;
- (nnnn) **“Proxy”** means a Voting Proxy or Bondholder Proxy, as applicable;
- (oooo) **“Publication Notice”** means the notice to Affected Unsecured Creditors substantially in the form attached as Schedule **“A-1”** hereto to be published in accordance with paragraph 11;
- (pppp) **“Registered Bondholder”** means a Bondholder who is the legal owner or holder of one or more Bonds and whose name appears on a Registered Bondholder List;
- (qqqq) **“Representation Orders”** means, collectively: (i) the Order of the CCAA Court dated May 27, 2009 appointing Koskie Minsky LLP as counsel for former employees, including pensioners, of the Canadian Debtors; (ii) the Order of the CCAA Court dated July 22, 2009 appointing Nelligan O’Brien Payne, LLP and Shibley Righton LLP as counsel for all Canadian non-unionized employees of the Canadian Debtors whose employment with the Canadian Debtors continued throughout the CCAA Proceedings; (iii) the Order of the CCAA Court dated July 30, 2009 appointing Koskie Minsky LLP as counsel for LTD Beneficiaries (as defined therein) receiving or entitled to receive disability income benefits by or through the Canadian Debtors;
- (rrrr) **“Representatives”** means the Court appointed representatives appointed pursuant to the Representation Orders;
- (ssss) **“Representative Counsel”** means the Court appointed representative counsel appointed pursuant to the Representation Orders;

(tttt) **“Required Majority”** means, with respect to the Affected Unsecured Creditors Class, a majority in number of Affected Unsecured Creditors holding Voting Claims representing at least two thirds in value of the Voting Claims of Affected Unsecured Creditors, in each case who are entitled to vote at the Meeting in accordance with the this Meeting Order and who are present and voting in Person or by proxy on the resolution approving the Plan at the Meeting;

(uuuu) **“Sanction Hearing”** has the meaning given to it in paragraph 60;

(vvvv) **“Sanction Hearing Date”** means the date to be selected by the Monitor for the Sanction Hearing, which is targeted to be scheduled on or about January 24, 2017 (or such other date on or after the Meeting Date as may be set by the Monitor or the CCAA Court);

(www) **“Sanction Order”** has the meaning given to it in the Plan;

(xxxx) **“Scrutineers”** has the meaning given to it in paragraph 32;

(yyyy) **“Secretary”** has the meaning given to it in paragraph 32;

(zzzz) **“Service List”** means the service list maintained for the CCAA Proceedings posted on the Monitor’s Website;

(aaaa) **“Settlement and Support Agreement”** means that certain settlement and plans support agreement dated as of October 12, 2016 entered into by and among the Settlement Parties (as defined in the Plan), together with all Annexes thereto, in each case, as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;

(bbbb) **“Trust Indentures”** means collectively:

- (i) the Indenture dated as of March 28, 2007 governing the 1.75% Convertible Senior Bonds due 2012 and the 2.125% Convertible Senior Bonds due 2014 (the **“2007 Bonds”**) issued by Nortel Networks Corporation and guaranteed by Nortel Networks Limited and Nortel Networks Inc.;

- (ii) the Indenture dated as of July 5, 2006, as supplemented by the First Supplemental Indenture dated as of July 5, 2006, the Second Supplemental Indenture dated as of May 1, 2007, and the Third Supplemental Indenture dated as of May 28, 2008, governing the Floating Rate Senior Bonds due 2011, the 10.125% Senior Bonds due 2013 and the 10.750% Senior Bonds due 2016 (together with the 2007 Bonds, the “**Crossover Bonds**”) issued by Nortel Networks Limited and guaranteed by Nortel Networks Corporation and Nortel Networks Inc.;
 - (iii) the Indenture dated as of November 30, 1988, governing the 6.875% Bonds due 2023 (the “**1988 Bonds**”) issued by Northern Telecom Limited (now Nortel Networks Limited); and
 - (iv) the Indenture dated as of February 15, 1996, governing the 7.875% Bonds due 2026 (the “**NNCC Bonds**”) issued by Northern Telecom Capital Corporation (now Nortel Networks Capital Corporation) and guaranteed by Northern Telecom Limited (now NNL);
- (ccccc) “**UKPI**” means the Nortel Networks UK Ltd Pension Trust Limited and the Board of the Pension Protection Fund;
- (dddddd) “**UKPI Claim**” means UKPI’s allowed Voting Claim in the amount of £339.75 million (being US \$494,879,850 when converted in accordance with the Plan and paragraph 71 of this Meeting Order);
- (eeeeee) “**Unaffected Claim**” means any Unaffected Claim under the Plan;
- (ffffff) “**Unresolved Claim**” means an Affected Unsecured Claim which by the date of the Meeting in whole or in part: (i) has not been finally determined to be a Voting Claim; (ii) is validly disputed in accordance with the Claims Orders; and/or (iii) remains subject to review and/or resolution in accordance with the Claims Orders, including both as to proof and/or quantum, but shall not include the Contingent Additional NNUK Claim, which is a Voting Claim;

(ggggg) “**U.S. Bankruptcy Court**” means the United States Bankruptcy Court for the District of Delaware;

(hhhhh) “**Voting Claim**” means an Affected Unsecured Claim to the extent that such Affected Unsecured Claim has been accepted by the Monitor solely for the purpose of voting on the Plan (which acceptance for the purpose of voting shall have no effect on whether such Claim is a Proven Affected Unsecured Claim for purposes of the Plan), in each case in accordance with the provisions of the Claims Orders or any other Order, as applicable;

(iiii) “**Voting Proxy**” means a proxy substantially in the form attached as Schedule “**B-2**” hereto, to be submitted to the Monitor by any Ordinary Creditor or Representative who wishes to vote by proxy at the Meeting; and

(jjjj) “**Voting Record Date**” means November 21, 2016.

3. THIS COURT ORDERS that all references to time herein shall mean local time in Toronto, Ontario, Canada, and any reference to an event occurring on a Business Day shall mean prior to 4:00 P.M. on such Business Day unless otherwise indicated herein.

4. THIS COURT ORDERS that all references to the word “including” or “includes” shall mean “including without limitation” or “includes without limitation”, as the case may be.

5. THIS COURT ORDERS that, unless the context otherwise requires, words importing the singular shall include the plural and *vice versa*, and words importing any gender shall include all genders.

THE PLAN

6. THIS COURT ORDERS that the Plan is hereby accepted for filing, and the Monitor is hereby authorized and directed to call and hold a meeting of Affected Unsecured Creditors to vote on the Plan in the manner set forth herein.

7. THIS COURT ORDERS that the Moving Parties may, at any time and from time to time prior to or at the Meeting, amend, restate, modify and/or supplement the Plan, subject to the terms of the Plan, provided that:

- (a) the Monitor or the Chair shall communicate the details of any such amendments, restatements, modifications and/or supplements to Affected Unsecured Creditors present at the Meeting prior to any vote being taken at the Meeting;
- (b) the Monitor shall provide notice to the Service List of any such amendments, restatements, modifications and/or supplements and shall forthwith file a copy thereof with the CCAA Court and in any event prior to the Sanction Hearing; and
- (c) the Monitor shall post an electronic copy of any such amendments, restatements, modifications and/or supplements on the Monitor's Website prior to the Sanction Hearing.

FORMS OF DOCUMENTS

8. THIS COURT ORDERS that the following documents be and are hereby approved:

- (a) Notices:
 - (i) Publication Notice (Schedule "**A-1**");
 - (ii) Letter to Ordinary Creditors and Bondholders (Schedule "**A-2**");
 - (iii) Letter to Compensation Creditors (Schedule "**A-3**");
- (b) Ordinary Creditors:
 - (i) Instructions to Ordinary Creditors (Schedule "**B-1**");
 - (ii) form of Voting Proxy (Schedule "**B-2**");
- (c) Bondholders:
 - (i) Instructions to Participant Holders (Schedule "**C-1**");
 - (ii) Instructions to Beneficial Bondholders (Schedule "**C-2**");
 - (iii) form of Bondholder Proxy (Schedule "**C-3**"); and

(iv) form of Master Authentication Form (Schedule “**C-4**”).

9. THIS COURT ORDERS that the Monitor may (i) make any changes to the Meeting Materials as are necessary or desirable to conform the content thereof to the terms of the Plan or this Meeting Order, and (ii) at any time and from time to time prior to or at the Meeting, amend, restate, modify and/or supplement any of such materials, subject to the terms of the Plan, provided that:

- (a) the Monitor or the Chair shall communicate the details of any such amendments, restatements, modifications and/or supplements to Affected Unsecured Creditors present at the Meeting prior to any vote being taken at the Meeting;
- (b) the Monitor shall provide notice to the Service List of any such amendments, restatements, modifications and/or supplements and shall forthwith file a copy thereof with the CCAA Court and in any event prior to the Sanction Hearing; and
- (c) the Monitor shall post an electronic copy of any such amendments, restatements, modifications and/or supplements on the Monitor’s Website prior to the Sanction Hearing.

CLASSIFICATION OF CREDITORS

10. THIS COURT ORDERS that the only class of creditors for the purposes of considering and voting on the Plan shall be the “**Affected Unsecured Creditors Class**”.

PUBLICATION OF NOTICE

11. THIS COURT ORDERS that the Monitor shall, as soon as practical, cause the Notice to Affected Unsecured Creditors to be published in English in The Globe and Mail (National and Local Edition), The Wall Street Journal (Global Edition), Ottawa Citizen and Calgary Herald and in French in Le Journal de Montreal.

12. THIS COURT ORDERS that the Monitor shall, no later than three (3) Business Days following the date of this Meeting Order, post an electronic copy of the Meeting Materials in

English and in French on the Monitor's Website under the heading "Plan and Other Creditor Meeting Documents" and serve the Meeting Materials on the Service List.

NOTICE TO ORDINARY CREDITORS

13. THIS COURT ORDERS that the Monitor shall, on the Mailing Date, deliver the Publication Notice, Letter to Ordinary Creditors and Bondholders, Information Circular, Instructions to Ordinary Creditors and a blank form of Voting Proxy (the "**Ordinary Creditor Mailing Materials**") by pre-paid first class mail, courier, personal delivery or email to each Ordinary Creditor with a Voting Claim and/or an Unresolved Claim and to the Representatives at the Latest Known Address provided, however, that (i) with respect to the NNUK Claim, Canadian Pension Claims, NNI Unsecured Claim and UKPI Claim, the Monitor may deliver the Ordinary Creditor Mailing Materials to counsel appearing on the Service List for such Affected Unsecured Creditors; and (ii) with respect to any other Intercompany Claim that is a Voting Claim, the Monitor may deliver the Ordinary Creditor Mailing Materials to any last known officer, director or administrator of such Intercompany Creditor.

14. THIS COURT ORDERS that in addition to the Ordinary Creditor Mailing Materials, upon request of any Ordinary Creditor, the Monitor shall provide hard copies of any of the other Ordinary Creditor Meeting Materials to such Ordinary Creditor. The Monitor shall also provide French translations of the Ordinary Creditor Meeting Materials upon request.

NOTICE TO COMPENSATION CREDITORS

15. THIS COURT ORDERS that the Monitor shall, on the Mailing Date, deliver (a) the Publication Notice and Letter to Compensation Creditors (the "**Compensation Creditors Mailing Materials**") by pre-paid first class mail, courier, personal delivery or email to each Compensation Creditor at the Compensation Creditor's Latest Known Address; and (b) a blank form of Voting Proxy and Instructions to Ordinary Creditors to Representative Counsel and counsel for Unifor by email. Compensation Creditor Mailing Materials shall be provided in English or French depending on the language preference previously indicated by Compensation Creditors and on file with the Monitor. On request, the Monitor will provide the Compensation Creditor Meeting Materials in the other language.

16. THIS COURT ORDERS that in addition to the Compensation Creditor Mailing Materials, upon request of any Compensation Creditor, the Monitor shall provide hard copies of any of the other Compensation Creditor Meeting Materials to such Compensation Creditor. The Monitor shall also provide French translations of the Compensation Creditor Meeting Materials upon request.

17. THIS COURT ORDERS that votes by Compensation Creditors shall be effected through: (a) the Compensation Creditors' respective Representatives, who are hereby authorized and empowered to vote on behalf of each of the Compensation Creditors whom they currently represent pursuant to the Representation Orders; and (b) Unifor for the Compensation Creditors it represents. The Representatives and Unifor shall each be entitled to submit a single Voting Proxy and shall not be required to submit individual proxies or ballots in respect of individual Compensation Claims.

NOTICE TO BONDHOLDERS

18. THIS COURT ORDERS that the Monitor and the Canadian Debtors' retention of Epiq to act as the Monitor's agent in connection with the mailing and solicitation process in connection with Bondholder Claims be and is hereby approved.

19. THIS COURT ORDERS that, without limiting the generality of paragraphs 18 or 69, for the purposes of paragraphs 20 through 29, 54 and 64, references to the Monitor shall be deemed to mean "the Monitor or Epiq".

Indenture Trustees and Registered Bondholders

20. THIS COURT ORDERS that, to the extent such information has not been obtained prior to the date of this Meeting Order:

- (a) as soon as possible after the date of the Meeting Order and in any event no later than two (2) Business Days following the date of the Meeting Order each of the Indenture Trustees shall confirm to the Monitor in writing (in accordance with paragraph 65) that the only Registered Bondholders are one or more Depositories (and identify and provide contact information for the applicable Depository); and

- (b) immediately thereafter, the Monitor shall request Participant Holders Lists in respect of the Bonds from the Depositories and as soon as practicable thereafter, each Depository shall provide all relevant Participant Holders Lists to the Monitor as at the Voting Record Date. In each case, any Participant Holder List so provided shall list the Participant Holders as at the Voting Record Date and their respective addresses and telephone numbers, fax numbers and email addresses, to the extent available.

21. THIS COURT ORDERS that on the Mailing Date (or such later date where the Monitor does not have requisite information) the Monitor shall deliver the Publication Notice, Letter to Ordinary Creditors and Bondholders, Information Circular, Instructions to Bondholders and blank form of Bondholder Proxy (the “**Bondholder Mailing Materials**”) by pre-paid first class mail, courier, personal delivery or email to the Depositories.

22. THIS COURT ORDERS that to the extent that an Indenture Trustee or a Depository has a standard process for providing notice of the entry of this Meeting Order to its Participant Holders, it shall post notice of the mailing to its Participant Holders.

Participant Holders and Beneficial Bondholders

23. THIS COURT ORDERS that each Participant Holder or any Mailing Agent shall advise the Monitor as to the number of hard copies of the Bondholder Mailing Materials required by each Participant Holder and such information shall be provided within two (2) Business Days of the date of the request is made.

24. THIS COURT ORDERS that on the Mailing Date (or such later date where the Monitor does not have the requisite information), the Monitor shall provide to each Participant Holder the Bondholder Mailing Materials in electronic form or, where such Participant Holder has advised it requires hard copies, the number of hard copies of the Bondholder Mailing Materials so advised by such Participant Holder and shall subsequently provide each Participant Holder with a blank form of the Master Authentication Form and Instructions to Participant Holders, all to be sent by way of pre-paid first class mail, courier or personal delivery.

25. THIS COURT ORDERS that, within five (5) Business Days of any Participant Holder's receipt of the Bondholder Mailing Materials from the Monitor pursuant to paragraph 24, such Participant Holder shall:

- (a) deliver to each Beneficial Bondholder that has an account (directly or through an agent or custodian) with such Participant Holder, the Bondholder Mailing Materials; and
- (b) request that such Beneficial Bondholders complete one or more Bondholder Proxies (one per CUSIP and per Participant Holder) and return such Bondholder Proxy or Proxies to their Participant Holder with sufficient time to allow such Participant Holder to complete and return one or more Master Authentication Forms by the deadline set out in paragraph 26 below.

26. THIS COURT ORDERS upon receipt of the Bondholder Proxies from Beneficial Bondholders, each Participant Holder shall complete and sign one or more Master Authentication Forms (one per CUSIP) in respect of all Bondholder Proxies it receives from Beneficial Bondholders and deliver such Master Authentication Form or Forms to the return address indicated in the Instructions to Participant Holders. To the extent that a Participant Holder receives further Bondholder Proxies after a Master Authentication Form is submitted, a Participant Holder may submit one or more Master Authentication Forms in respect of such further Bondholder Proxies. All Master Authentication Forms must be received at least four (4) Business Days prior to the Meeting. To the extent a Participant Holder submits multiple Master Authentication Forms in respect of the same Bondholder Proxy, the last dated, timely received, validly executed Master Authentication Form shall be deemed to supersede any previously submitted Master Authentication Forms.

27. THIS COURT ORDERS that where: (a) a Participant Holder or its Mailing Agent has a standard practice for distributing meeting materials to Beneficial Bondholders and for gathering information and proxies or voting instructions from Beneficial Bondholders; (b) the Participant Holder has discussed such standard practice in advance with the Monitor; and (c) such standard practice is acceptable to the Monitor; such Participant Holder or its agent may, in lieu of following the procedure set out in paragraphs 25 and 26 above, follow such standard practice provided that

all applicable Bondholder Proxies, Master Authentication Forms and Instructions are delivered in accordance with the terms of this Meeting Order.

28. THIS COURT ORDERS that to the extent a Beneficial Bondholder holds Bonds through multiple Participant Holders, it must submit one or more Bondholder Proxies (one per CUSIP and per Participant Holder) to each Participant Holder through which it holds Bonds.

NOTICE, SERVICE AND DELIVERY

29. THIS COURT ORDERS that the Monitor's fulfillment of the notice, delivery and Monitor's Website posting requirements set out in this Meeting Order shall constitute good and sufficient notice, service and delivery thereof on all Persons who may be entitled to receive notice, service or delivery thereof or who may wish to be present or vote (in person or by proxy) at the Meeting, and that no other form of notice, service or delivery need be given or made on such Persons and no other document or material need be served on such Persons.

CONDUCT OF MEETING AND DELIVERY OF PROXIES

30. THIS COURT ORDERS that the Monitor is hereby authorized and directed to call, hold and conduct the Meeting on the Meeting Date at The International Centre Conference Centre (6900 Airport Road, Mississauga, Ontario), (or such other venue as may be determined by the Monitor), for the purpose of seeking approval of the Plan by the Affected Unsecured Creditors with Voting Claims at the Meeting in the manner set forth herein. In the event that the Meeting Date is extended after the Mailing Date, the Monitor shall post notice of the extension of the Meeting Date on the Monitor's Website and provide notice of the extension of the Meeting Date to the Service List.

31. THIS COURT ORDERS that Murray McDonald or another representative of the Monitor, designated by the Monitor, shall preside as the chair of the Meeting (the "**Chair**") and, subject to this Meeting Order or any further Order of the Court, shall decide all matters relating to the conduct of the Meeting.

32. THIS COURT ORDERS that the Monitor may appoint scrutineers for the supervision and tabulation of the attendance, quorum, and votes cast at the Meeting (the "**Scrutineers**"). A Person designated by the Monitor shall act as secretary of the Meeting (the "**Secretary**").

33. THIS COURT ORDERS that the quorum required at the Meeting shall be one (1) Affected Unsecured Creditor with a Voting Claim present at the Meeting (in person or by proxy).

34. THIS COURT ORDERS that the Chair shall be entitled to adjourn and further adjourn the Meeting at the Meeting or at any adjourned Meeting or change the venue for the Meeting. In the event of any adjournment or change of venue described in this paragraph, no Person shall be required to deliver any notice of the adjournment of the Meeting or adjourned Meeting or change of venue, provided that the Monitor shall: (a) announce the adjournment at the Meeting, adjourned Meeting or change of venue, as applicable; (b) post notice of any adjournment (or further adjournment), or if the venue is changed within one (1) Business Day of the Meeting Date of the Meeting, at the location where the Meeting was scheduled to be held at the time the Meeting was scheduled to start; (c) forthwith post notice of the adjournment or change of venue on the Monitor's Website; and (d) provide notice of the adjournment or change of venue to the Service List forthwith. Subject to the terms of the Plan, Proxies validly delivered in connection with the Meeting shall be accepted as Proxies in respect of any adjourned Meeting.

35. THIS COURT ORDERS that the only Persons entitled to attend and speak at the Meeting are: (a) the Affected Unsecured Creditors entitled to vote at the Meeting (or, if applicable, any Person holding a valid Proxy or on behalf of one or more such Affected Unsecured Creditors); (b) the Chair, the Scrutineers and the Secretary; (c) the Monitor; (d) the Representatives; (e) the Indenture Trustees; and (f) Canadian Debtors' legal counsel and any legal counsel or financial advisors to any of the foregoing Persons in (a) through (e) above. Any other Person may only be admitted to the Meeting on invitation of the Chair.

36. THIS COURT ORDERS that the Monitor may waive in writing the time limits imposed on Affected Unsecured Creditors as set out in this Meeting Order (including the schedules hereto), generally or in individual circumstances, if the Monitor deems it advisable to do so.

ASSIGNMENT OF AFFECTED CLAIMS PRIOR TO THE MEETING

37. THIS COURT ORDERS that, subject to any restrictions contained in Applicable Laws and subject further to the terms of the Plan, the Claims Orders and the Settlement and Support Agreement, an Ordinary Creditor or Compensation Creditor may transfer or assign the whole of

its Voting Claim prior to the Meeting (or any adjournment thereof), provided that the Monitor shall not be obliged to deal with any transferee or assignee thereof as an Affected Unsecured Creditor in respect of such Voting Claim, including allowing such transferee or assignee to attend or vote at the Meeting, unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment, has been received and acknowledged by the Monitor, which receipt and acknowledgment must have occurred on or before 4 p.m. (Toronto time) on the date that is seven (7) days prior to the date of the Meeting (or any adjournment thereof), failing which the original transferor shall have all applicable rights as the “Ordinary Creditor” or “Compensation Creditor” as the case may be with respect to such Voting Claim as if no transfer of the Voting Claim had occurred. If such receipt and acknowledgment by the Monitor have occurred on or before 4 p.m. (Toronto time) on the date that is seven (7) days prior to the date of the Meeting (or any adjournment thereof): (a) the transferor of the applicable Voting Claim shall no longer constitute an Affected Unsecured Creditor in respect of such Voting Claim; and (b) the transferee or assignee of the applicable Voting Claim shall, for all purposes in accordance with this Meeting Order, constitute an Ordinary Creditor or Compensation Creditor as the case may be in respect of such Voting Claim, and shall be bound by any and all notices previously given to the transferor or assignor in respect thereof, the voting process set out in this Meeting Order applicable to such Ordinary Creditor Claim, and any Proxy duly submitted to the Monitor in accordance with this Meeting Order. For greater certainty, the Monitor shall not recognize partial transfers or assignments of Ordinary Creditor Claims.

38. THIS COURT ORDERS that only those Beneficial Bondholders that have beneficial ownership of one or more Bonds as at the Voting Record Date shall be entitled to vote at the Meeting (whether in person or by proxy). Nothing in this Meeting Order restricts the Beneficial Bondholders from transferring or assigning such Bonds prior to or after the Voting Record Date, provided that if such transfer or assignment occurs after the Voting Record Date, only the original Beneficial Bondholder of such Bonds as at the Voting Record Date (and not any transferee) shall be treated as a Beneficial Bondholder for purposes of this Meeting Order and the Meeting, provided, however, that the Settlement and Support Agreement shall continue to apply to the transferee of any Beneficial Bondholder bound thereby.

VOTING PROCEDURE

39. THIS COURT ORDERS that at the Meeting, the Chair shall direct a vote, by written Proxy, on a resolution to approve the Plan and any amendments thereto.

Persons Entitled to Vote

40. THIS COURT ORDERS that, subject to paragraphs 57 - 58, the only Persons entitled to vote at the Meeting (whether in person or by proxy) are:

- (a) Beneficial Bondholders with Voting Claims that have beneficial ownership of one or more Bonds as at the Voting Record Date (or any such Beneficial Bondholder's validly appointed holder of its Bondholder Proxy) whose holdings have been validated by such Beneficial Bondholder's Participant Holder or Participant Holders or a Master Authentication Form;
- (b) Ordinary Creditors with Voting Claims as at the Voting Record Date including, without limitation, the holders of all Intercompany Claims (including the NNI Unsecured Claim and the NNUK Claim) that are Voting Claims (or any such Ordinary Creditor's validly appointed holder of its Voting Proxy);
- (c) Representatives, on behalf of all Compensation Creditors with Voting Claims as at the Voting Record Date;
- (d) Unifor, on behalf of Compensation Creditors that it currently represents with Voting Claims as at the Voting Record Date; and
- (e) Morneau Shepell Ltd., in its capacity as administrator of the Canadian Registered Pension Plans, in respect of the Canadian Pension Claims.

41. THIS COURT ORDERS that Unaffected Creditors (in such capacity) and Equity Claimants (in such capacity) shall not, and shall have no right to, attend the Meeting or vote on the Plan.

42. THIS COURT ORDERS that each Ordinary Creditor with a Voting Claim shall be entitled to one (1) vote as a member of the Affected Unsecured Creditors Class, which vote shall have a value equal to the dollar value of such Ordinary Creditor's Voting Claim. For the avoidance of doubt, the Voting Claim amounts in respect of the NNI Unsecured Claim, NNUK Claim and the other Intercompany Claims listed in Schedule "C" to the Plan, UKPI Claim, and Canadian Pension Claims shall be the dollar amounts ascribed to them in the Plan.

43. THIS COURT ORDERS that each Beneficial Bondholder with a Voting Claim shall be entitled to one vote as a member of the Affected Unsecured Creditors Class, which vote shall have a value equal to such Beneficial Bondholder's Bondholder Claim Amount. For greater certainty, with respect to voting by Beneficial Bondholders, only the Beneficial Bondholders, and not Depositories or Participant Holders (unless any such Depository or Participant Bondholder is itself a Beneficial Bondholder or such Depository or Participant Holder is voting as proxy holder for one or more Beneficial Bondholders), shall be entitled to vote on the Plan as provided for in this Meeting Order.

44. THIS COURT ORDERS that for the purposes of this Meeting Order, a Beneficial Bondholder's "**Bondholder Claim Amount**" shall be the total of such Beneficial Bondholder's:

- (a) pro rata share of the aggregate amount of the 1988 Bondholder Claims, if any; plus
- (b) pro rata share of the aggregate amount of the Crossover Bondholder Claims, if any; plus
- (c) pro rata share of the aggregate amount of the NNCC Bondholder Claims, if any.

45. THIS COURT ORDERS that for greater certainty, the aggregate amount of the Bondholder Claims for voting purposes shall be as follows:

- (a) 1988 Bondholder Claims: US\$205,079,861;
- (b) Crossover Bondholder Claims: US\$3,940,750,260; and
- (c) NNCC Bondholder Claims: US\$150,951,562.

46. THIS COURT ORDERS that the Representatives and Unifor shall be entitled to vote on behalf of their applicable Compensation Creditors, which votes shall constitute, in number, the number of individuals that each Representative or Unifor represents as indicated on the Voting

Proxy and shall have a dollar value equal to the aggregate value of such Compensation Claims voted.

47. THIS COURT ORDERS that any Proxies or votes received from Compensation Creditors which are not submitted by a Representative or Unifor shall be disregarded by the Monitor and shall be considered a nullity with no force and effect. For greater certainty, the Monitor shall have no obligation to record or report on any such Proxies or votes.

Calculation of Votes

48. THIS COURT ORDERS that notwithstanding any other provision of this Meeting Order, an Affected Unsecured Creditor holding a Voting Claim or Voting Claims regardless of whether such Voting Claim or Voting Claims is held against more than one Canadian Debtor, whether directly, by way of guarantee or otherwise shall have only one (1) vote in respect of the Plan without duplication, and including, without limitation:

- (a) any transferee(s) of multiple Voting Claims shall have one (1) vote in an amount equal to the aggregate of all of the Voting Claims assigned to such transferee (other than any Compensation Claim which is subject to the vote of the Representatives);
- (b) regardless of the number of Bondholder Proxies that are submitted by any one Beneficial Bondholder, each Beneficial Bondholder shall have one (1) vote in an amount equal to such Beneficial Bondholders' Bondholder Claim Amount;
- (c) holders of Duplicative Voting Claims shall only be entitled to one (1) Voting Claim in an amount equal to the largest of such Duplicative Voting Claims; and
- (d) holders of Voting Claims against more than one Canadian Debtor which Voting Claims are based on separate and distinct underlying debts shall have one (1) Voting Claim equal to the aggregate amount of all such separate and distinct Voting Claims.

49. THIS COURT ORDERS that for the purpose of calculating the two-thirds majority in value of Voting Claims, the aggregate amount of Voting Claims held by all Affected Unsecured Creditors that vote in favour of the Plan (in person or by proxy) shall be divided by the aggregate

amount of all Voting Claims held by all Affected Unsecured Creditors that vote on the Plan (in person or by proxy). For greater certainty, an Affected Unsecured Creditor having Voting Claims against more than one Canadian Debtor shall only be entitled to one vote in respect of such Voting Claims at the Meeting and the Monitor shall have no obligation to tabulate or report on votes with respect to the Canadian Debtors individually.

50. THIS COURT ORDERS that, for purposes of tabulating the votes cast on any matter that may come before the Meeting, the Chair shall be entitled to rely on any vote cast by a holder of a Voting Proxy or a Bondholder Proxy that has been duly submitted to the Monitor in the manner set forth in this Meeting Order.

Submission of Proxies and Voting At the Meeting

51. THIS COURT ORDERS that regardless of whether an Affected Unsecured Creditor wishes to attend the Meeting in person or submit its Proxy in advance of the Meeting, any Affected Unsecured Creditor that is entitled to vote on the Plan, must, in accordance with applicable Instructions:

- (a) duly complete and sign the applicable Proxy;
- (b) identify himself, herself or another individual in the applicable Proxy as the Person with the power to attend and vote at the Meeting on behalf of such Affected Unsecured Creditor; and
- (c) submit its Proxy to the Monitor by:
 - (i) delivering its Proxy to the Monitor in accordance with paragraph 65, on the date set out in the applicable Instructions, which shall be the date that is three (3) Business Days prior to the scheduled Meeting; or
 - (ii) where the Affected Unsecured Creditor has not submitted its Proxy at least three (3) Business Days in advance of the Meeting, attend the Meeting in Person (or through a nominee) and submit the Proxy to the Monitor at the Meeting at the time specified by the Chair at the Meeting.

52. THIS COURT ORDERS that in order to be effective, and in addition to the criteria in paragraphs 51(a) and 51(b) above, any Bondholder Proxy must:

- (a) be in respect of single CUSIP;
- (b) state the applicable account number or numbers of the account or accounts maintained by the applicable Beneficial Bondholder with such Participant Holder;
- (c) state the principal amount of Bonds for such CUSIP number that such Beneficial Bondholder holds in each such account or accounts;
- (d) acknowledge that the Beneficial Bondholder has read the Bondholder Meeting Materials; and
- (e) authorize the Participant Holder to provide a copy of the Bondholder's Proxy to Epiq and the Monitor.

53. THIS COURT ORDERS all Master Authentication Forms must:

- (a) be in respect of a single CUSIP;
- (b) state the name and account number of the Beneficial Bondholder whose Proxies it is authenticating, and the principal amount of such Bonds for such CUSIP number (excluding any accrued interest or Post-Filing Date Interest); and
- (c) attach copies of all relevant Bondholder's Proxies for which the Participant Holder is authenticating the holdings.

54. THIS COURT ORDERS that notwithstanding paragraph 51(c), all Beneficial Bondholders wishing to vote either in person or by proxy must have submitted its Bondholder Proxy to its Participant Holder and such Participant Holder must have submitted a Master Authentication Form in respect of such Bondholder Proxy so that it is received by Epiq at least four (4) Business Days prior to the Meeting.

55. THIS COURT ORDERS that if there is any dispute as to the principal amount of Bonds held by any Beneficial Bondholder, the Monitor will request the Participant Holder, if any, who

maintains book entry records or other records evidencing such Beneficial Bondholder's ownership of Bonds, to confirm to the Monitor the information provided by such Beneficial Bondholder and such Participant Holder shall provide such requested information forthwith. If any such dispute is not resolved by such Beneficial Bondholder and the Monitor by the date of the Meeting (or any adjournment thereof), the Monitor shall tabulate the vote for or against the Plan in respect of the disputed principal amount of such Beneficial Bondholder's Bonds separately. If: (a) any such dispute remains unresolved as of the date of the Sanction Hearing; and (b) the approval or non-approval of the Plan would be affected by the vote cast in respect of such disputed principal amount of Bonds, then such result shall be reported to the Court at the Sanction Hearing and, if necessary, the Monitor may make a request to the Court for directions.

56. THIS COURT ORDERS that notwithstanding anything in paragraphs 51 - 55 or any minor error or omission in any Proxy that is submitted to the Monitor, the Chair shall have the discretion to accept for voting purposes any Proxy submitted to the Monitor in accordance with the Meeting Order.

VOTING OF UNRESOLVED CLAIMS

57. THIS COURT ORDERS that except as otherwise provided for herein or as may otherwise be ordered by the CCAA Court at the Sanction Hearing, the dollar value of any Unresolved Claims for voting purposes at the Meeting shall be as follows:

- (a) Unresolved Claims that are liquidated in whole or in part:
 - (i) for which no notice of disallowance or statement of defence has been issued: the face value of the Affected Unsecured Claim, as filed; or
 - (ii) for which a notice of disallowance or statement of defence has been issued: the greater of US\$1.00 and the amount allowed by the Monitor in the notice of disallowance or set out in the statement of defence or, where there is a decision of a Claims Officer (as defined in the Claims Resolution Order) or Order of the CCAA Court, the amount of the Affected Unsecured Claim as set out in such decision or Order; or

(b) Unresolved Claims that are unliquidated in their entirety: US\$1.00

58. THIS COURT ORDERS that the Monitor shall keep a separate record of votes cast by Affected Unsecured Creditors with Unresolved Claims and shall report to the Court with respect thereto at the Sanction Hearing. If approval or non-approval of the Plan by Affected Unsecured Creditors could be altered by the votes cast in respect of Unresolved Claims: (a) such result shall be reported to the Court as soon as reasonably practicable after the Meeting; (b) if a deferral of the Sanction Hearing is deemed to be necessary or advisable by the Monitor, the Monitor shall request an appropriate deferral of the Sanction Hearing; and (c) the Monitor may make a request to the Court for directions.

NEW RESTRUCTURING CLAIMS

59. THIS COURT ORDERS that the Monitor shall, no later than three (3) Business Days following the receipt of a Proof of Claim from any Person asserting a New Restructuring Claim, deliver the Ordinary Creditor Meeting Materials by pre-paid first class mail, courier, personal delivery or email to such Person at the Latest Known Address set out in any such Proof of Claim.

PLAN SANCTION

60. THIS COURT ORDERS that the Monitor shall report to the Court the results of any votes taken at the Meeting as soon as reasonably practicable after the Meeting (or any adjournment thereof). If the Plan is approved by the Required Majority, the Moving Parties may apply to the Court at 10 a.m. on the Sanction Hearing Date for the Sanction Order (the “**Sanction Hearing**”).

61. THIS COURT ORDERS that service of this Meeting Order by the Moving Parties to the parties on the Service List shall constitute good and sufficient service of notice of the Sanction Hearing on all Persons entitled to receive such service and no other form of notice or service need be made and no other materials need be served in respect of the Sanction Hearing, except that any party shall also serve the Service List with any additional materials that it intends to use in support of the Sanction Hearing.

APPROVAL OF THE PLAN

62. THIS COURT ORDERS that the Plan must receive an affirmative vote from the Required Majority in order to be approved by the Affected Unsecured Creditors.

63. THIS COURT ORDERS that the result of any vote at the Meeting shall be binding on all Affected Unsecured Creditors, regardless of whether such Affected Unsecured Creditor was present at or voted at the Meeting.

SERVICE AND NOTICE

64. THIS COURT ORDERS that any delivery of any documents, packages, notices or otherwise contemplated by this Meeting Order by the Monitor shall be by way of pre-paid first class mail, courier, personal delivery, facsimile or e-mail to such Persons (or any director, officer or known representative) and that any such service or notice by courier, personal delivery, facsimile or e-mail shall be deemed to be received on the next Business Day following the date of forwarding thereof, or if sent by pre-paid first class mail, on the fourth Business Day after mailing.

65. THIS COURT ORDERS that any notice or other communication to be given under this Meeting Order by any Person to the Monitor shall be in writing in substantially the form, if any, provided for in this Meeting Order and will be sufficiently given only if delivered by courier, personal delivery, facsimile or e-mail addressed to:

Ernst & Young Inc.
Court Appointed Monitor of Nortel Networks Corporation & others
222 Bay Street, Suite 2400
Toronto, Ontario M5K 1J7

Attention: Nortel Monitor
Telephone: 1.866.942.7177 or 416.943.4439
Facsimile: 416.943.2808
Email: nortel.monitor@ca.ey.com

66. THIS COURT ORDERS that any such notice or other communication by any such Person shall be deemed received only upon actual receipt thereof during normal business hours on a Business Day.

MONITOR'S ROLE

67. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA or any Order made in these CCAA Proceedings including the Monitor's Powers Orders and the New Applicants Order, is hereby directed and empowered to take such other actions and fulfill such other roles as are authorized by this Meeting Order.

68. THIS COURT ORDERS that: (i) in carrying out the terms of this Meeting Order, the Monitor shall have all the protections given to it by the CCAA, the Monitor's Powers Orders and the New Applicants Order, including the stay of proceedings in its favour; (ii) the Monitor shall incur no liability or obligation as a result of carrying out the provisions of this Meeting Order, save and except for any gross negligence or wilful misconduct on its part; (iii) the Monitor shall be entitled to rely on the books and records of the Canadian Debtors and any information provided by the Canadian Debtors without independent investigation; and (iv) the Monitor shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.

69. THIS COURT ORDERS that the Monitor and the Canadian Debtors are hereby authorized to retain such agents as they deem to be advisable to assist them in connection with calling and conducting the Meeting, including with respect to the distribution of Meeting Materials, the identification of the applicable Affected Unsecured Creditors, and the solicitation of proxies from Persons entitled to vote at the Meeting.

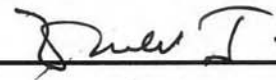
MISCELLANEOUS

70. THIS COURT ORDERS that nothing in this Meeting Order (including the acceptance or determination of any Claim, or any part thereof, as a Voting Claim in accordance with this Meeting Order) has any impact on the status of Voting Claims as Proven Affected Unsecured Claims for purposes of the Plan and, for greater certainty, to the extent that any Voting Claim is also a Proven Affected Unsecured Claim pursuant to any Order of the CCAA Court, agreement (including under the Settlement and Support Agreement) or otherwise, reference to such Proven Affected Unsecured Claims as "Voting Claims" herein shall not alter the status of such Claims as Proven Affected Unsecured Claims.

71. THIS COURT ORDERS that, for the purposes of this Meeting Order (including the calculation of the Required Majority), all Voting Claims shall be deemed to be denominated in U.S. dollars using the exchange rate specified on Schedule "D" to the Plan. Any Voting Claims that are not denominated in U.S. dollars or Canadian dollars shall be deemed to be converted first to Canadian dollars at the applicable F/X rate and then converted to U.S. dollars pursuant to Schedule "D" to the Plan.

72. THIS COURT ORDERS that the Moving Parties may from time to time apply to the CCAA Court for advice and directions in the discharge of their powers and duties hereunder.

73. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, the United Kingdom or elsewhere, to give effect to this Order and to assist the Canadian Debtors, the Monitor and their respective agents in carrying out the terms of this Meeting Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Canadian Debtors and to the Monitor, as an officer of this CCAA Court, as may be necessary or desirable to give effect to this Meeting Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Canadian Debtors and the Monitor and their respective agents in carrying out the terms of this Meeting Order.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

DEC 01 2016

PER / PAR: 

SCHEDULE "A-1" – PUBLICATION NOTICE

NOTICE TO AFFECTED UNSECURED CREDITORS

OF NORTEL NETWORKS CORPORATION, NORTEL NETWORKS LIMITED,
NORTEL NETWORKS GLOBAL CORPORATION, NORTEL NETWORKS
INTERNATIONAL CORPORATION, NORTEL NETWORKS TECHNOLOGY
CORPORATION, NORTEL COMMUNICATIONS INC., ARCHITEL SYSTEMS
CORPORATION AND NORTHERN TELECOM CANADA LIMITED (THE
"CANADIAN DEBTORS")

NOTICE IS HEREBY GIVEN that a Plan of Compromise and Arrangement (as amended from time to time, the "**Plan**") has been filed with the Ontario Superior Court of Justice (Commercial List) (the "**CCAA Court**") in respect of the Canadian Debtors pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**").

TAKE NOTE THAT THESE MATERIALS relate to the CANADIAN CCAA PROCEEDINGS ONLY and do not apply to any other restructuring proceeding including the Chapter 11 Proceedings of Nortel Networks Inc. and the other U.S. Debtors. If you have claims in both the Canadian and U.S. proceedings, you MUST vote your claims in respect of the Canadian Debtors in this CCAA Proceeding in order for your vote to count with respect to the Canadian Plan and must comply with the applicable procedures in the U.S. Debtors' cases for your claim in respect of the U.S. Debtors. A vote in the U.S. Proceedings will not be recognized in the Canadian CCAA Proceedings and vice versa.

A copy of the Plan and the Information Circular (the "**Information Circular**") are available at www.ey.com/ca/nortel (the "**Monitor's Website**") under the section entitled "Plan and Other Creditor Meeting Documents". If you wish to receive a printed copy of the Plan or the Information Circular please contact the Monitor at the contact information below.

NOTICE IS ALSO HEREBY GIVEN that a meeting of Affected Unsecured Creditors (the "**Meeting**") will be held at **1 p.m. on Tuesday, January 17, 2017** (or such other date as may be set and announced in accordance with the Meeting Order) at **The International Centre Conference Centre (6900 Airport Road, Mississauga, Ontario)**, for the purpose of considering and, if thought advisable, passing, with or without variation, a resolution to approve the Plan (the full text of which resolution is set out in Schedule "A" to the Information Circular) and to transact such other business as may properly come before the Meeting (or any adjournment thereof). The Meeting is being held pursuant to the Order of the Court made on December 1, 2016 (the "**Meeting Order**"). A copy of the Meeting Order is available on the Monitor's Website under the Section "Plan and Other Creditor Meeting Documents". Capitalized terms used but not otherwise defined in this notice have the meaning ascribed to them in the Meeting Order, Information Circular or Plan.

The Plan must receive an affirmative vote of the Required Majority in order to be approved by the Affected Unsecured Creditors. The Required Majority is a majority in number of Affected

Unsecured Creditors with Voting Claims, and two-thirds in value of the Voting Claims held by such Affected Unsecured Creditors, in each case who vote (in person or by proxy) on the Plan at the Meeting. The Plan must also be sanctioned by a final order of the CCAA Court (the “**Sanction Order**”) pursuant to the CCAA. Notice is also hereby given that, if the Plan is approved by the Required Majority at the Meeting, the Sanction Order will be sought in an application before the CCAA Court at 10:00 AM on January 24, 2017, (or such other date or time as may be set by the CCAA Court), to seek approval of the Plan. If the Plan is approved by the Required Majority and sanctioned by the CCAA Court, then, subject to the satisfaction or waiver of the conditions to effectiveness and implementation of the Plan, all Persons referred to in the Plan (including the Affected Unsecured Creditors) will receive the treatment set out in the Plan.

AMENDMENTS TO THE PLAN

The Canadian Debtors and Monitor may, at any time and from time to time prior to or at the Meeting, amend, restate, modify and/or supplement the Plan, subject to the terms of the Plan, provided that: (i) the Monitor or the Chair shall communicate the details of any such amendment, restatement and/or supplement to all Affected Unsecured Creditors present at the Meeting prior to any vote being taken at the Meeting; (ii) the Monitor shall provide notice to the Service List of any such amendment, restatement and/or supplement and shall file a copy thereof with the CCAA Court prior to the Sanction Hearing; and (iii) the Monitor shall post an electronic copy of any such amendment, restatement and/or supplement on the Monitor’s Website prior to the Sanction Hearing.

COMPLETION OF PROXIES

Any Affected Unsecured Creditor who is entitled to vote at the Meeting and that wishes to vote by proxy or in Person at the Meeting must complete, sign and return the applicable form of proxy included in its creditor package and deliver its proxy to the Monitor in accordance with applicable Instructions.

Compensation Creditors

IF YOU ARE A COMPENSATION CREDITOR COVERED BY THE REPRESENTATION ORDERS OR REPRESENTED BY UNIFOR, A REPRESENTATIVE OR UNIFOR WILL BE VOTING ON YOUR BEHALF AND WILL BE VOTING IN FAVOUR OF THE PLAN. YOU SHOULD NOT SUBMIT A SEPARATE PROXY.

Participant Holders and Beneficial Bondholders

IF YOU ARE A PARTICIPANT HOLDER OR BENEFICIAL BONDHOLDER, YOU MUST CLOSELY FOLLOW THE INSTRUCTIONS FOR THE COMPLETION AND RETURN OF BONDHOLDER PROXIES AND MASTER AUTHENTICATION FORMS.

The Monitor’s contact information is:

Ernst & Young Inc.
Court Appointed Monitor of Nortel Networks Corporation & others

222 Bay Street, Suite 2400
Toronto, Ontario M5K 1J7

Attention: Nortel Monitor
Telephone: 1.866.942.7177 or 416.943.4439
Facsimile: 416.943.2808
Email: nortel.monitor@ca.ey.com

This notice is given by the Monitor pursuant to the Meeting Order.

Si vous avez besoin d'une copie du plan ou de l'un des documents relatifs à l'assemblée des créanciers en français, veuillez consulter le site Web du contrôleur ou communiquer avec le contrôleur à l'adresse figurant ci-dessus.

SCHEDULE “A-2” LETTER TO ORDINARY CREDITORS AND BONDHOLDERS

December ____, 2016

Dear Ordinary Creditors and Bondholders:

Re: Meeting of Affected Unsecured Creditors of Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation, Nortel Networks Technology Corporation, Nortel Communications Inc., Architel Systems Corporation and Northern Telecom Canada Limited (the “**Canadian Debtors**”) to vote on the Plan of Compromise and Arrangement pursuant to the *Companies’ Creditors Arrangement Act* (the “**Plan**”)

We enclose in this package the following documents for your review and consideration:

1. Publication Notice;
2. Information Circular; and
3. blank form of applicable Proxy and instructions for voting.

TAKE NOTE THAT THESE MATERIALS relate to the CANADIAN CCAA PROCEEDINGS ONLY and do not apply to any other restructuring proceeding including the Chapter 11 Proceedings of Nortel Networks Inc. and the other U.S. Debtors. If you have claims in both the Canadian and U.S. proceedings, you MUST vote your claims in respect of the Canadian Debtors in this CCAA Proceeding in order for your vote to count with respect to the Canadian Plan and must comply with the applicable procedures in the U.S. Debtors’ cases for your claim in respect of the U.S. Debtors. A vote in the U.S. Proceedings will not be recognized in the Canadian CCAA Proceedings and *vice versa*.

Please take note that these materials as well as the other Meeting Materials are also available at www.ey.com/ca/nortel under the section entitled “Plan and Other Creditor Meeting Documents”.

You are entitled to attend the Meeting of Affected Unsecured Creditors (the “**Meeting**”) of Canadian Debtors as defined in the Meeting Order dated December 1, 2016. The Meeting will be held at **1 p.m. (Toronto time) on Tuesday, January 17, 2017 at The International Centre Conference Centre (6900 Airport Road, Mississauga, Ontario)**. At the Meeting, you will be asked to consider a resolution to approve the Plan.

ORDINARY CREDITORS

Please follow the enclosed “Instructions to Ordinary Creditors” and complete the enclosed form of proxy and submit it to the Monitor as soon as possible but no later than **4:00 p.m. (Toronto time) on January 11, 2017**. Should you plan on attending the Meeting, you may also submit your proxy at that time.

BONDHOLDERS

Please follow the enclosed “Instructions to Beneficial Bondholders” and complete the enclosed form of proxy and submit to each of your Participant Holder(s) through which you hold Bonds **no later than the deadline set out by your Participant Holder(s)**. Please submit one Proxy per CUSIP, per Participant Holder.

Canadian CCAA Proceedings Only

The Participant Holder(s) will provide Epiq Bankruptcy Solutions, LLC (the Monitor's agent) with a summary of voting Proxies received from their clients and copies of your proxies.

You may attend and vote at the Meeting in person but you must have previously had holdings validated by all Participant Holders through which you hold Bonds in order for your vote to count.

Expected Recovery Range

The current estimated range of recovery per U.S. dollar is approximately 41.5 cents to 45 cents. The estimated range of recovery per Canadian dollar is CA 45 cents to 49 cents, assuming an exchange rate of approximately US \$1.00 = CA \$1.337650.

Pursuant to the Plan, holders of proven affected unsecured claims will receive distributions in U.S. dollars, unless such claim is predominantly denominated in Canadian dollars (i.e. more than 50% of a claim is in Canadian dollars), in which case creditors will be paid in Canadian dollars. The initial distribution is currently anticipated to be made during April 2017.

Plan Approval

The Plan must be approved by a majority of creditors voting representing at least two thirds in value of the votes cast by proven affected unsecured creditors, voting as a single class, present in person or represented by proxy at the Meeting. Effectiveness of the Plan is subject to the approval of the Ontario Superior Court of Justice (Commercial List), expiration or final resolution of any appeals taken and confirmation of U.S. Plans by the U.S. Bankruptcy Court.

Additional Information

For additional information with respect to the Plan, see the section in the accompanying Information Circular entitled "*Summary Information*" (pages 5 - 10). These pages contain important information relating to the distributions under the Plan.

The accompanying Information Circular contains a detailed description of the Plan, as well as certain *pro forma* information. It also includes certain risk factors relating to the implementation of the Plan.

Please give this material your careful consideration and, if you require assistance, consult your financial, tax or other professional advisors.

Si vous avez besoin d'une copie du plan ou de l'un des documents relatifs à l'assemblée des créanciers en français, veuillez consulter le site Web du contrôleur ou communiquer avec le contrôleur à l'adresse figurant ci-dessus.

Sincerely,

ERNST & YOUNG INC., solely in its capacity as Monitor in the CCAA Proceedings of the Canadian Debtors and not in its personal capacity.

SCHEDULE “A-3” – LETTER TO COMPENSATION CREDITORS

December _____, 2016

Dear Compensation Creditor,

Re: Meeting of Affected Unsecured Creditors of Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation, Nortel Networks Technology Corporation, Nortel Communications Inc., Architel Systems Corporation and Northern Telecom Canada Limited (the “**Canadian Debtors**”) to vote on the Plan of Compromise and Arrangement pursuant to the *Companies’ Creditors Arrangement Act* (the “**Plan**”)

We enclose in this package the Publication Notice for your review and consideration, in the language of your choice as indicated on file with the Monitor.

Please take note that the other Meeting Materials are available at www.ey.com/ca/nortel (the “**Monitor’s Website**”) in both English and French under the section entitled “Plan and Other Creditor Meeting Documents”.

The purpose of these materials is to provide you with information relating to the Plan and the Meeting of Affected Unsecured Creditors of the Canadian Debtors (the “**Meeting**”). **YOU ARE NOT REQUIRED TO ATTEND THE MEETING OR CAST A VOTE. AS EXPLAINED BELOW, YOUR REPRESENTATIVES OR UNION WILL VOTE ON YOUR BEHALF.**

Expected Recovery Range

Pursuant to the Plan, holders of Compensation Creditor Claims will receive distributions in U.S. dollars, unless such claim is predominantly denominated in Canadian dollars (i.e. more than 50% of a claim is in Canadian dollars), in which case creditors will be paid in Canadian dollars. The current estimated recovery range per U.S. dollar of claim is approximately 41.5 cents to 45 cents. The estimated range of recovery per Canadian dollar of claim is CA 45 cents to 49 cents, assuming an exchange rate of approximately US \$1.00 = CA \$1.337650. The initial distribution is currently anticipated to be made during April 2017.

Certain Issues Affecting Amount and Timing of Distributions

Further to previous court orders issued in the CCAA Proceedings,

- Compensation Creditor Claims will be reduced by the amount of any payments received by creditors from the Health and Welfare Trust (HWT).
- Compensation Creditor distributions will be reduced by the amount of any payments received by creditors through the employee hardship process.

Compensation Creditors with reductions for HWT payments or payments received through the employee hardship process will be provided these amounts on their distribution statement.

Distributions to Compensation Creditors will not be made until the Monitor receives a confirmation regarding employment insurance (“**EI Confirmation**”) from Employment and Social Development Canada (ESDC), pursuant to the *Employment Insurance Act*. These Compensation Creditors may therefore receive their initial distributions after the target date of April 2017 and such distributions will be subject to standard source deductions and deductions on account of any employment insurance overpayment received. The amount of any employment insurance overpayment deduction will be determined by ESDC and, in any event, all deductions will be shown on a distribution statement.

Canadian CCAA Proceedings Only

If your address on file with the Monitor on the Distribution Record Date is not a Canadian address, you will be treated as a non-resident of Canada for purposes of any applicable non-resident withholding tax. You will not receive a gross-up for any amounts deducted or withheld.

Voting

Pursuant to certain Representation Orders made in these CCAA Proceedings, Kent Felske, Dany Sylvain, Donald Sproule, David Archibald, Michael Campbell and Sue Kennedy (the “**Representatives**”) were appointed as representatives of all current and former non Union represented employees of the Canadian Debtors with the authority to represent you in these CCAA Proceedings. Copies of the Representation Orders can be found on the Monitor’s Website under the section entitled “Employees, Former Employee and Disabled Employee Representative Orders”.

If you are a member of Unifor (formerly CAW, the “**Union**”) or retained the Union to represent you in the CCAA Proceedings, your Union representative will be voting on your behalf at the meeting.

Your Representatives or Union representative continue to represent you in the CCAA Proceedings and will be voting on your behalf at the Meeting. **As such, you are not required to vote or submit a proxy to the Monitor or to your Representatives.**

The Representatives and Unifor are parties to the Settlement and Support Agreement dated as of October 12, 2016 and **will be voting in favour of the Plan.**

The Meeting is to be held at **1 p.m. on Tuesday, January 17, 2017** (or such other date and time as may be set and announced in accordance with the Meeting Order) at **The International Centre Conference Centre (6900 Airport Road, Mississauga, Ontario)**. Although you are welcome to attend the Meeting to observe, your Representatives will vote on your behalf in favour of the Plan.

Plan Approval

The Plan must be approved by a majority of creditors voting and representing at least two thirds in value of the votes cast by proven affected unsecured creditors, voting as a single class and present in person or represented by proxy at the Meeting. Effectiveness of the Plan is subject to the approval of the Ontario Superior Court of Justice (Commercial List), expiration or final resolution of any appeals taken and confirmation of U.S. Plans by the U.S. Bankruptcy Court.

Additional Information

For additional information with respect to the Plan, see the section in the Information Circular (available on the Monitor’s Website under “Plan and Other Creditor Meeting Documents”) entitled “*Summary Information*” (pages 5 - 10). These pages contain important information relating to distributions under the Plan.

Please give this material your careful consideration and, if you require assistance, consult your Court-appointed Representative Counsel or other financial or tax advisors.

Si vous avez besoin d’une copie du plan ou de l’un des documents relatifs à l’assemblée des créanciers en français, veuillez consulter le site Web du contrôleur ou communiquer avec le contrôleur à l’adresse figurant ci-dessus.

Sincerely,

ERNST & YOUNG INC., solely in its capacity as Monitor in the CCAA Proceedings of the Canadian Debtors and not in its personal capacity

SCHEDULE “B-1” - INSTRUCTIONS TO ORDINARY CREDITORS

■, 2016

TO: ORDINARY CREDITORS OF NORTEL NETWORKS CORPORATION, NORTEL NETWORKS LIMITED, NORTEL NETWORKS GLOBAL CORPORATION, NORTEL NETWORKS INTERNATIONAL CORPORATION, NORTEL NETWORKS TECHNOLOGY CORPORATION, NORTEL COMMUNICATIONS INC., ARCHITEL SYSTEMS CORPORATION AND NORTHERN TELECOM CANADA LIMITED (THE “CANADIAN DEBTORS”)

Re: Meeting of Affected Unsecured Creditors of the Canadian Debtors to vote on the Plan of Compromise and Arrangement pursuant to the *Companies’ Creditors Arrangement Act* (the “Plan”)

TAKE NOTE THAT THESE MATERIALS relate to the CANADIAN CCAA PROCEEDINGS ONLY and do not apply to any other restructuring proceeding including the Chapter 11 Proceedings of Nortel Networks Inc. and the other U.S. Debtors. If you have claims in both the Canadian and U.S. proceedings, you MUST vote your claims in respect of the Canadian Debtors in this CCAA Proceeding in order for your vote to count with respect to the Canadian Plan and must comply with the applicable procedures in the U.S. Debtors’ cases for your claim in respect of the U.S. Debtors. A vote in the U.S. Proceedings will not be recognized in the Canadian CCAA Proceedings and *vice versa*.

All of the Meeting Materials, including the Meeting Order, the Plan and the Information Circular are available at www.ey.com/ca/nortel under the section entitled “Plan and Other Creditor Meeting Documents”. If you require a copy of any other of the Meeting Materials please contact the Monitor at the below address and a copy will be provided to you.

The purpose of these materials is to enable you to consider the Plan and vote to accept or reject the resolution to approve the Plan at the Meeting of Affected Unsecured Creditors of the Canadian Debtors to be held at **1 p.m. on Tuesday, January 17, 2017** (or such other date as may be set and announced in accordance with the Meeting Order) at **The International Centre Conference Centre (6900 Airport Road, Mississauga, Ontario)**, (the “Meeting”).

PROXIES

Ordinary Creditors who wish to vote must complete the enclosed Proxy and provide it to the Monitor by (a) email; (b) courier or personal delivery; or (c) facsimile transmission all at the contact information below, so that it is received by the Monitor no later than **4:00 p.m. (Toronto time) on January 11, 2017**, or else such Person (or its nominee) must attend the Meeting and submit the completed proxy to the Monitor at the Meeting at the time specified by the Chair.

FURTHER INFORMATION

Canadian CCAA Proceedings Only

If you have any questions regarding the process or any of the enclosed forms, please contact Ernst & Young Inc. at the following address:

Ernst & Young Inc.
Court Appointed Monitor of Nortel Networks Corporation & others
222 Bay Street, Suite 2400
Toronto, Ontario M5K 1J7

Attention: Nortel Monitor
Telephone: 1.866.942.7177 or 416.943.4439
Facsimile: 416.943.2808
Email: nortel.monitor@ca.ey.com

Si vous avez besoin d'une copie du plan ou de l'un des documents relatifs à l'assemblée des créanciers en français, veuillez consulter le site Web du contrôleur ou communiquer avec le contrôleur à l'adresse figurant ci-dessus.

SCHEDULE “B-2” – ORDINARY CREDITORS’ VOTING PROXY

MEETING OF AFFECTED UNSECURED CREDITORS OF NORTEL NETWORKS CORPORATION, NORTEL NETWORKS LIMITED, NORTEL NETWORKS GLOBAL CORPORATION, NORTEL NETWORKS INTERNATIONAL CORPORATION, NORTEL NETWORKS TECHNOLOGY CORPORATION, NORTEL COMMUNICATIONS INC., ARCHITEL SYSTEMS CORPORATION AND NORTHERN TELECOM CANADA LIMITED (THE “CANADIAN DEBTORS”)

to be held pursuant to an Order of the Ontario Superior Court of Justice (the “**Meeting Order**”) in connection with the Plan of Compromise and Arrangement (the “**Plan**”) under the *Companies’ Creditors Arrangement Act* (Canada) in respect of the Canadian Debtors at **1 p.m.** on **Tuesday, January 17, 2017** (or such other date as may be set and announced in accordance with the Meeting Order) at **The International Centre Conference Centre (6900 Airport Road, Mississauga, Ontario)** and any adjournment thereof.

Before completing this Proxy, please read carefully the Instructions accompanying this Proxy for information respecting the proper completion and return of this Proxy.

IN ORDER TO VOTE ON THE PLAN, THIS PROXY MUST BE COMPLETED AND SIGNED BY THE ORDINARY CREDITOR AND PROVIDED TO THE MONITOR, ERNST & YOUNG INC., PRIOR TO 4:00 P.M. TORONTO TIME ON JANUARY 11, 2017 OR DELIVERED TO THE MONITOR IN PERSON OR THROUGH ITS NOMINEE AT THE MEETING AT THE TIME SPECIFIED BY THE CHAIR

THE UNDERSIGNED ORDINARY CREDITOR hereby revokes all proxies previously given and nominates, constitutes and appoints _____ (must be an individual – corporations may not be appointed as proxies) or, if no Person is named, Murray McDonald, President of Ernst & Young Inc., the Canadian Monitor (or his designee), as nominee of the Ordinary Creditor, with power of substitution, to attend on behalf of and act for the Ordinary Creditor at the Meeting of Affected Unsecured Creditors of the Canadian Debtors to be held in connection with the Plan and at any and all adjournments thereof, and to vote the Ordinary Creditor's Claim as follows:

A. (mark one only)

- ☐ VOTE FOR approval of the Plan; or
- ☐ VOTE AGAINST approval of the Plan;

-and-

B. vote at the nominee’s discretion and otherwise act for and on behalf of the undersigned Ordinary Creditor with respect to any amendments or variations to the Plan and to any other matters that may come before the Meeting of the Ordinary Creditors of the Canadian Debtors or any adjournment thereof

If you submit a proxy but do not indicate your vote in part “A” above: (a) if Murray McDonald (or his designee) is your nominee, he will vote this proxy FOR approval of the Plan; and (b) if you have named another individual as your nominee and that person does not vote in person at the meeting, your proxy will be deemed to vote FOR approval of the Plan.

Date:	
Ordinary Creditor Name (please print legibly):	
Phone Number:	
Email Address:	
Mailing Address:	

Canadian CCAA Proceedings Only

Signature of Ordinary Creditor or, if a corporation, signature of an authorized signing officer of the corporation and such officer's name and title:	
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INSTRUCTIONS FOR COMPLETION OF VOTING PROXY

1. Each Ordinary Creditor has the right to appoint an individual (who need not be an Ordinary Creditor) to attend, act and vote on the Ordinary Creditor's behalf. Such right may be exercised by inserting in the space provided the name of the Person to be appointed. An individual Ordinary Creditor wishing to attend and vote in person at the Meeting of Affected Unsecured Creditors of the Canadian Debtors should insert his or her name in the space provided. **If no name has been inserted in the space provided, the Ordinary Creditor will be deemed to have appointed Murray McDonald, President of Ernst & Young Inc. the Canadian Monitor (or his designee) as the Ordinary Creditor's proxyholder.**
2. **If you submit a proxy but do not indicate your vote in part "A" of the Proxy: (a) if Murray McDonald (or his designee) is your nominee, he will vote this proxy FOR approval of the Plan; and (b) if you have named another individual as your nominee and that person does not vote in person at the meeting, your proxy will be deemed to vote FOR approval of the Plan.**
3. If this Proxy is not dated in the space provided, it will be deemed to bear the date on which it is received by the Monitor.
4. This Proxy must be signed by the Ordinary Creditor or by the Ordinary Creditor's attorney duly authorized in writing or, if the Ordinary Creditor is a corporation, by a duly authorized officer or attorney of the corporation specifying the title of such officer or attorney.
5. Valid proxies bearing or deemed to bear a later date will revoke this Proxy. If more than one valid proxy for the same Ordinary Creditor and bearing or deemed to bear the same date are received with conflicting instructions, such proxies will be treated as disputed proxies and will not be counted.
6. Unless you plan to vote in Person at the meeting, you must complete the Voting Proxy and provide it to the Monitor by (a) email; (b) courier or personal delivery; or (c) facsimile transmission all at the contact information below, so that it is received by the Monitor no later than 4:00 p.m. (Toronto time) on January 11, 2017:

Ernst & Young Inc.
Court Appointed Monitor of Nortel Networks Corporation & others
222 Bay Street, Suite 2400
Toronto, Ontario M5K 1J7

Attention: Nortel Monitor
Telephone: 1.866.942.7177 or 416.943.4439
Facsimile: 416.943.2808
Email: nortel.monitor@ca.ey.com

SCHEDULE "C-1" - INSTRUCTIONS TO PARTICIPANT HOLDERS

URGENT – IMMEDIATE ACTION REQUIRED

■, 2016

TO: ALL PARTICIPANT HOLDERS IN RESPECT OF THE FOLLOWING BONDS ISSUED OR GUARANTEED BY NORTEL NETWORKS CORPORATION AND NORTEL NETWORKS LIMITED:

- (i) US\$1,000,000,000 LIBOR + 4.250% FLOATING RATE NOTES DUE 2011 (CUSIP NO. 656569AH3; 656569AK6) PURSUANT TO AN INDENTURE DATED AS OF JULY 5, 2006, AS AMENDED
- (ii) US\$550,000,000 10.125% FIXED RATE NOTES DUE 2013 (CUSIP NO. 656569AG5) PURSUANT TO AN INDENTURE DATED AS OF JULY 5, 2006, AS AMENDED
- (iii) US\$1,125,000,000 10.75% FIXED RATE NOTES DUE 2016 (CUSIP NO. 656569AD2) PURSUANT TO AN INDENTURE DATED AS OF JULY 5, 2006, AS AMENDED
- (iv) US\$575,000,000 1.75% CONVERTIBLE SENIOR NOTES DUE 2012 (CUSIP NO. 656568AC6; 656568AF9) PURSUANT TO AN INDENTURE DATED AS OF MARCH 28, 2007, AS AMENDED

- (v) US\$575,000,000 2.125% CONVERTIBLE SENIOR NOTES DUE 2014 (CUSIP NO. 656568AD4; 656568AE2) PURSUANT TO AN INDENTURE DATED AS OF MARCH 28, 2007, AS AMENDED
- (vi) US\$150,000,000 7.875% NOTES DUE 2026 (CUSIP NO. 665810AB3) PURSUANT TO AN INDENTURE DATED AS OF FEBRUARY 15, 1996, AS AMENDED
- (vii) US\$200,000,000 6.875% UNSECURED SENIOR NOTES DUE 2023 (CUSIP NO. 665815AH9) PURSUANT TO AN INDENTURE DATED AS OF NOVEMBER 30, 1988, AS AMENDED

(collectively, the "**Bonds**")

Re: Meeting of Affected Unsecured Creditors of Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation, Nortel Networks Technology Corporation, Nortel Communications Inc., Architel Systems Corporation and Northern Telecom Canada Limited (the "**Canadian Debtors**") to vote on the Plan of Compromise and Arrangement pursuant to the *Companies' Creditors Arrangement Act* (the "**Plan**")

TAKE NOTE THAT THESE MATERIALS relate to the CANADIAN CCAA PROCEEDINGS ONLY and do not apply to any other restructuring proceeding including the Chapter 11 Proceedings of Nortel Networks Inc. and the other U.S. Debtors. If you have claims in both the Canadian and U.S. proceedings, you MUST vote your claims in respect of the Canadian Debtors in this CCAA Proceeding in order for your vote to count with respect to the Canadian Plan and must comply with the applicable procedures in the U.S. Debtors' cases for your claim in respect of the U.S. Debtors. A vote in the U.S. Proceedings will not be recognized in the Canadian CCAA Proceedings and *vice versa*.

ALL MASTER AUTHENTICATION FORMS MUST BE RECEIVED BY EPIQ BANKRUPTCY SOLUTIONS, LLC ("EPIQ") PRIOR TO THE DEADLINE OF 4:00 P.M. ON JANUARY 10, 2017 (THE "DEADLINE")

PROOF OF CLAIM

THE TOTAL AMOUNT OF ALL THE BONDHOLDER CLAIMS HAS BEEN FILED BY THE INDENTURE TRUSTEES. YOU DO NOT HAVE TO PROVIDE A PROOF OF CLAIM.

PROXY INSTRUCTIONS

According to the records of the Depository or the applicable Indenture Trustee, you are the holder or custodian (the “**Participant Holder**”) on behalf of a beneficial holder of Bonds.

We enclose Bondholder Mailing Materials to be forwarded by you or your agent to each of the Beneficial Bondholders recorded in your account records or book entry records. Shortly, we will also be providing you a form of Master Authentication Form to be used by you or your agent to validate the holdings of your Beneficial Bondholders and to be completed and returned to Epiq prior to the Deadline. Please direct any questions you may have on the mailing requirements or the Master Authentication Forms to Epiq at the contact information below.

THE BONDHOLDER MAILING MATERIALS ARE TIME SENSITIVE. PURSUANT TO THE ORDER OF THE CCAA COURT DATED DECEMBER 1, 2016, MUST BE FORWARDED TO EACH OF THE BENEFICIAL BONDHOLDERS TOGETHER WITH THE BONDHOLDER PROXY FOR THAT BENEFICIAL BONDHOLDER WITHOUT DELAY AND NO LATER THAN FIVE (5) BUSINESS DAYS FROM YOUR RECEIPT OF THE BONDHOLDER MAILING MATERIALS.

Please instruct Beneficial Bondholders to return completed Bondholders Proxies to you to allow sufficient time as may be required by you to complete and submit one or more Master Authentication Forms by the Deadline. Upon receipt of such completed Bondholder Proxies, you must complete Master Authentication Forms (one per CUSIP) validating the holdings of such Beneficial Bondholders and attaching copies of the Bondholder Proxies received by you. All Master Authentication Forms must be received by Epiq no later than **4 p.m. (Eastern Time) on January 10, 2017.**

By completing and signing the Bondholder Proxy, the Beneficial Bondholder acknowledges and agrees that it has read the Plan and other Bondholder Meeting Materials and authorizes its Participant Holder to provide a copy of the Bondholder Proxy to Epiq and the Monitor.

If you have a standard practice for distributing meeting materials to Beneficial Bondholders and for gathering information and proxies or voting instructions from Beneficial Bondholders that differs from the process described above, please contact Epiq immediately to determine whether you are able to use such standard practice as an alternative to the process described above. Epiq may be contacted via email at tabulation@epiqsystems.com with a reference “Nortel Canada” in the subject line.

All Master Authentication Forms should be returned by (a) mail; (b) courier; or (c) personal delivery to:

**Epiq Bankruptcy Solutions, LLC
Attn: Nortel Networks Corporation
Master Authentication Form Processing
777 Third Avenue, 12th Floor
New York, NY 10017**

Canadian CCAA Proceedings Only

You can also view copies of documents relating to this process on the following Monitor's Website www.ey.com/ca/nortel in the section entitled "Plan and Other Creditor Meeting Documents".

Si vous avez besoin d'une copie du plan ou de l'un des documents relatifs à l'assemblée des créanciers en français, veuillez consulter le site Web du contrôleur ou communiquer avec le contrôleur à l'adresse figurant ci-dessus.

SCHEDULE "C-2" - INSTRUCTIONS TO BENEFICIAL BONDHOLDERS

URGENT – IMMEDIATE ACTION REQUIRED

■, 2016

TO: ALL BENEFICIAL BONDHOLDERS IN RESPECT OF THE FOLLOWING BONDS ISSUED OR GUARANTEED BY NORTEL NETWORKS CORPORATION AND NORTEL NETWORKS LIMITED:

(i) US\$1,000,000,000 LIBOR + 4.250% FLOATING RATE NOTES DUE 2011 (CUSIP NO. 656569AH3; 656569AK6) PURSUANT TO AN INDENTURE DATED AS OF JULY 5, 2006, AS AMENDED

(ii) US\$550,000,000 10.125% FIXED RATE NOTES DUE 2013 (CUSIP NO. 656569AG5) PURSUANT TO AN INDENTURE DATED AS OF JULY 5, 2006, AS AMENDED

(iii) US\$1,125,000,000 10.75% FIXED RATE NOTES DUE 2016 (CUSIP NO. 656569AD2) PURSUANT TO AN INDENTURE DATED AS OF JULY 5, 2006, AS AMENDED

(iv) US\$575,000,000 1.75% CONVERTIBLE SENIOR NOTES DUE 2012 (CUSIP NO. 656568AC6; 656568AF9) PURSUANT TO AN INDENTURE DATED AS OF MARCH 28, 2007, AS AMENDED

(v) US\$575,000,000 2.125% CONVERTIBLE SENIOR NOTES DUE 2014 (CUSIP NO. 656568AD4; 656568AE2) PURSUANT TO AN INDENTURE DATED AS OF MARCH 28, 2007, AS AMENDED

(vi) US\$150,000,000 7.875% NOTES DUE 2026 (CUSIP NO. 665810AB3) PURSUANT TO AN INDENTURE DATED AS OF FEBRUARY 15, 1996, AS AMENDED

(vii) US\$200,000,000 6.875% UNSECURED SENIOR NOTES DUE 2023 (CUSIP NO. 665815AH9) PURSUANT TO AN INDENTURE DATED AS OF NOVEMBER 30, 1988, AS AMENDED

(collectively, the "**Bonds**")

Re: Meeting of Affected Unsecured Creditors of Nortel Networks Corporation, Nortel Networks Limited, Nortel Networks Global Corporation, Nortel Networks International Corporation, Nortel Networks Technology Corporation, Nortel Communications Inc., Architel Systems Corporation and Northern Telecom Canada Limited (the "**Canadian Debtors**") to vote on the Plan of Compromise and Arrangement pursuant to the *Companies' Creditors Arrangement Act* (the "**Plan**")

TAKE NOTE THAT THESE MATERIALS relate to the CANADIAN CCAA PROCEEDINGS ONLY and do not apply to any other restructuring proceeding including the Chapter 11 Proceedings of Nortel Networks Inc. and the other U.S. Debtors. If you have claims in both the Canadian and U.S. proceedings, you MUST vote your claims in respect of the Canadian Debtors in this CCAA Proceeding in order for your vote to count with respect to the Canadian Plan and must comply with the applicable procedures in the U.S. Debtors' cases for your claim in respect of the U.S. Debtors. A vote in the U.S. Proceedings will not be recognized in the Canadian CCAA Proceedings and *vice versa*.

Canadian CCAA Proceedings Only

Please take note that the Meeting Materials are available at www.ey.com/ca/nortel in the section entitled "Plan and Other Creditor Meeting Documents".

The purpose of these materials is to provide Beneficial Bondholders (i.e., those who own Bonds beneficially themselves and do not hold such Bonds for the benefit of another person) with the documents required to enable them to consider the Plan and to cast their vote to accept or reject the resolution to approve the Plan at the meeting of the Affected Unsecured Creditors to be held at **1 p.m. on Tuesday, January 17, 2017** (or such other date as may be set and announced in accordance with the Meeting Order) at **The International Centre Conference Centre (6900 Airport Road, Mississauga, Ontario)**, (the "Meeting").

PROOF OF CLAIM

THE TOTAL AMOUNT OF ALL THE BONDHOLDER CLAIMS HAS BEEN FILED BY THE INDENTURE TRUSTEES. THEREFORE, YOU DO NOT HAVE TO PROVIDE A PROOF OF CLAIM.

PROXY INSTRUCTIONS

Proxies are only to be filed by Beneficial Bondholders (or their nominee). If you are a trust company, depository, broker, book entry system, agent, custodian or any other entity that holds bonds for another Person, please refer to the Instructions to Participant Holders or contact Epiq or Ernst & Young Inc. for the information applicable to you.

IF YOU ARE A BENEFICIAL BONDHOLDER AND YOU WISH TO VOTE ON THE PLAN, YOU MUST COMPLETE THE ENCLOSED BONDHOLDER PROXY IN ACCORDANCE WITH THE INSTRUCTIONS SET OUT THEREIN AND RETURN IT TO YOUR PARTICIPANT HOLDER PRIOR TO THE DEADLINE REQUIRED BY YOUR PARTICIPANT HOLDER.

IF YOU ARE A BENEFICIAL BONDHOLDER AND HAVE SIGNED A CREDITOR JOINDER TO THE SETTLEMENT AND SUPPORT AGREEMENT DATED OCTOBER 12, 2016, YOU ARE OBLIGATED TO VOTE IN FAVOUR OF THE PLAN. IF YOU APPOINT A PROXY OR OTHER NOMINEE OR REPRESENTATIVE TO VOTE ON YOUR BEHALF, YOU MUST INSTRUCT SUCH PROXYHOLDER OR NOMINEE TO VOTE IN FAVOUR OF THE PLAN.

INSTRUCTIONS FOR BENEFICIAL BONDHOLDERS

If you are a Beneficial Bondholder and you wish to vote at the Meeting, you must complete the enclosed Bondholder Proxy and return it to your Participant Holder in the manner you are instructed to by your Participant Holder. **Whether you vote in person or by proxy you must return your completed Bondholder Proxy to your Participant Holder and your Participant Holder must submit a Master Authentication Form validating your holdings and attaching a copy of your Bondholder Proxy by the deadline of 4:00 p.m. on January 10, 2017 (please note this is not the date by which you must have completed your Bondholder Proxy, but the date Master Authentication Forms must be delivered to Epiq after you send back your Bondholder Proxies to your Participant Holder).**

You must:

1. complete a separate Bondholder Proxy for each CUSIP and each Participant Holder through which you hold Bonds;
2. provide a copy of your completed Bondholder Proxy to each Participant Holder through which you hold Bonds no later than the deadline set out by your Participant Holder so that it may submit a

Canadian CCAA Proceedings Only

Master Authentication Form by 4:00 p.m. (Toronto time) on January 10, 2017 (please note this is not the date by which you must have completed your Bondholder Proxy, but the date Master Authentication Forms must be delivered to Epiq after you send back your Bondholder Proxies to your Participant Holder); and

3. authorize your Participant Holder to provide a copy of your Bondholder Proxy to Epiq or the Monitor.

If no name is indicated in your Proxy, Murray McDonald, President of Ernst & Young Inc., the Canadian Monitor (or his designee) will be named as your proxyholder. If you do not indicate your vote and Murray McDonald (or his designee) is your proxyholder, he will vote FOR approval of the Plan. If you have named another individual as your nominee and have not indicated a vote, unless your nominee votes in person at the Meeting your proxy will be voted FOR approval of the Plan.

In completing and signing your Bondholder Proxy you will be acknowledging that you have read the Canadian Plan and other Bondholder Meeting Materials.

Si vous avez besoin d'une copie du plan ou de l'un des documents relatifs à l'assemblée des créanciers en français, veuillez consulter le site Web du contrôleur ou communiquer avec le contrôleur à l'adresse figurant ci-dessus.

SCHEDULE “C-3” - BONDHOLDER PROXY

For Use by Beneficial Bondholders of the following Bonds Issued or Guaranteed by Nortel Networks Corporation or Nortel Networks Limited:

- | | |
|--|---|
| (i) US\$1,000,000,000 LIBOR + 4.250% FLOATING RATE NOTES DUE 2011 (CUSIP NO. 656569AH3; 656569AK6) PURSUANT TO AN INDENTURE DATED AS OF JULY 5, 2006, AS AMENDED | (v) US\$575,000,000 2.125% CONVERTIBLE SENIOR NOTES DUE 2014 (CUSIP NO. 656568AD4; 656568AE2) PURSUANT TO AN INDENTURE DATED AS OF MARCH 28, 2007, AS AMENDED |
| (ii) US\$550,000,000 10.125% FIXED RATE NOTES DUE 2013 (CUSIP NO. 656569AG5) PURSUANT TO AN INDENTURE DATED AS OF JULY 5, 2006, AS AMENDED | (vi) US\$150,000,000 7.875% NOTES DUE 2026 (CUSIP NO. 665810AB3) PURSUANT TO AN INDENTURE DATED AS OF FEBRUARY 15, 1996, AS AMENDED |
| (iii) US\$1,125,000,000 10.75% FIXED RATE NOTES DUE 2016 (CUSIP NO. 656569AD2) PURSUANT TO AN INDENTURE DATED AS OF JULY 5, 2006, AS AMENDED | (vii) US\$200,000,000 6.875% UNSECURED SENIOR NOTES DUE 2023 (CUSIP NO. 665815AH9) PURSUANT TO AN INDENTURE DATED AS OF NOVEMBER 30, 1988, AS AMENDED |
| (iv) US\$575,000,000 1.75% CONVERTIBLE SENIOR NOTES DUE 2012 (CUSIP NO. 656568AC6; 656568AF9) PURSUANT TO AN INDENTURE DATED AS OF MARCH 28, 2007, AS AMENDED | |

(collectively, the “**Bonds**”)

MEETING OF AFFECTED UNSECURED CREDITORS OF NORTEL NETWORKS CORPORATION, NORTEL NETWORKS LIMITED, NORTEL NETWORKS GLOBAL CORPORATION, NORTEL NETWORKS INTERNATIONAL CORPORATION, NORTEL NETWORKS TECHNOLOGY CORPORATION, NORTEL COMMUNICATIONS INC., ARCHITEL SYSTEMS CORPORATION AND NORTHERN TELECOM CANADA LIMITED (THE “CANADIAN DEBTORS”)

to be held pursuant to an Order of the Ontario Superior Court of Justice (the “**Meeting Order**”) in connection with the Plan of Compromise and Arrangement (the “**Plan**”) under the *Companies’ Creditors Arrangement Act* (Canada) in respect of the Canadian Debtors at **1 p.m. on Tuesday, January 17, 2017** (or such other date as may be set and announced in accordance with the Meeting Order) at **The International Centre Conference Centre (6900 Airport Road, Mississauga, Ontario)** and any adjournment thereof.

Before completing this Proxy, please read carefully the instructions accompanying this Proxy for information respecting the proper completion and return of this Proxy.

A BENEFICIAL BONDHOLDER MUST COMPLETE AND SIGN ONE OR MORE PROXIES (ONE FOR EACH CUSIP AND/OR PARTICIPANT HOLDER) AND RETURN SUCH PROXY TO EACH PARTICIPANT HOLDER THROUGH WHICH IT HOLDS BONDS NO LATER THAN THE DATE SPECIFIED BY EACH SUCH PARTICIPANT HOLDER.

Principal Amount Held by Beneficial Bondholder as of November 21, 2016.

\$ _____

Canadian CCAA Proceedings Only

THE UNDERSIGNED BENEFICIAL BONDHOLDER hereby revokes all proxies previously given and nominates, constitutes and appoints _____ or, if no Person is named, Murray McDonald, President of Ernst & Young, Inc., the Canadian Monitor (or his designee), as nominee of the Beneficial Bondholder, with power of substitution, to attend on behalf of and act for the Beneficial Bondholder at the Meeting of Affected Unsecured Creditors of the Canadian Debtors be held in connection with the Plan and at any and all adjournments thereof, and to vote the Beneficial Bondholder's Claims in respect of the Bonds beneficially owned by it as follows:

A. (mark one only)

- ☐ VOTE FOR approval of the Plan; or
- ☐ VOTE AGAINST approval of the Plan;

-and-

B. vote at the nominee's discretion and otherwise act for and on behalf of the undersigned Beneficial Bondholder with respect to any amendments or variations to the Plan and to any other matters that may come before the Meeting of the Affected Unsecured Creditors of the Canadian Debtors or any adjournment thereof

If you submit a proxy but do not indicate your vote in part "A" above: (a) if Murray McDonald (or his designee) is your nominee, he will vote this proxy FOR approval of the Plan; and (b) if you have named another individual as your nominee and that person does not vote in person at the meeting, your proxy will be deemed to vote FOR approval of the Plan.

You will receive a separate Proxy for each account you hold. Please complete and return each Proxy you receive.

The Beneficial Bondholder hereby acknowledges and agrees that it has read the Plan and other Bondholder Meeting Materials and authorizes its Participant Holder to provide a copy of this Bondholder Proxy to Epiq and the Monitor.

Date:	
Beneficial Bondholder Name: (please print legibly)	
Phone Number:	
Email Address:	
Mailing Address:	
Signature of Beneficial Bondholder or, if a corporation, signature of an authorized signing officer of the corporation and such officer's name and title:	

DELIVERY

Completed Bondholder Proxies must be returned to each relevant Participant Holder as directed by such Participant Holder and by the deadline specified by the applicable Participant Holder.

INSTRUCTIONS FOR COMPLETION OF PROXY

1. Each Beneficial Bondholder has the right to appoint an individual (who need not be a Bondholder) to attend, act and vote for and on the Beneficial Bondholder's behalf and such right may be exercised by inserting the name of the Person to be appointed. A Beneficial Bondholder wishing to have a representative attend and vote in Person at the Meeting of Affected Unsecured Creditors of the Canadian Debtors should insert such individual representative's name in the space provided. **If no name has been inserted in the space provided, the Beneficial Bondholder will be deemed to have appointed Murray McDonald, President of Ernst & Young Inc., the Canadian Monitor (or his designee) as the Beneficial Bondholder's proxyholder.**
2. If you submit a proxy but do not indicate your vote in part "A" of the Proxy: (a) if Murray McDonald (or his designee) is your nominee, he will vote this proxy FOR approval of the Plan; and (b) if you have named another individual as your nominee and that person does not vote in person at the meeting, your proxy will be deemed to vote FOR approval of the Plan.
3. If this Proxy is not dated in the space provided, it will be deemed to bear the date on which it is received by the Monitor.
4. This Proxy must be signed by the Beneficial Bondholder of the applicable Bonds or by his or her attorney duly authorized in writing or, if the Beneficial Bondholder is a corporation, by a duly authorized officer or attorney of the corporation specifying the title of such officer or attorney.
5. Separate Proxies must be completed for each CUSIP and for each Participant Holder through whom your Bonds are held. Completed Proxies must be returned to the applicable Participant Holder. Participant Holders will be required to submit Master Authentication Forms validating the holdings of such Beneficial Bondholders and attaching copies of all Proxies to Epiq.
6. Valid proxies bearing or deemed to bear a later date will revoke this Proxy. If more than one valid proxy for the same Beneficial Bondholder in respect of the same Bonds and bearing or deemed to bear the same date are received with conflicting instructions, such proxies will be treated as disputed proxies and will not be counted.

SCHEDULE “C-4” – MASTER AUTHENTICATION FORM

For Use by Participant Holders validating the holdings of Beneficial Bondholder holding the following Bonds Issued or Guaranteed by Nortel Networks Corporation or Nortel Networks Limited:

(i) US\$1,000,000,000 LIBOR + 4.250% FLOATING RATE NOTES DUE 2011 (CUSIP NO. 656569AH3; 656569AK6) PURSUANT TO AN INDENTURE DATED AS OF JULY 5, 2006, AS AMENDED

(ii) US\$550,000,000 10.125% FIXED RATE NOTES DUE 2013 (CUSIP NO. 656569AG5) PURSUANT TO AN INDENTURE DATED AS OF JULY 5, 2006, AS AMENDED

(iii) US\$1,125,000,000 10.75% FIXED RATE NOTES DUE 2016 (CUSIP NO. 656569AD2) PURSUANT TO AN INDENTURE DATED AS OF JULY 5, 2006, AS AMENDED

(iv) US\$575,000,000 1.75% CONVERTIBLE SENIOR NOTES DUE 2012 (CUSIP NO. 656568AC6; 656568AF9) PURSUANT TO AN INDENTURE DATED AS OF MARCH 28, 2007, AS AMENDED

(v) US\$575,000,000 2.125% CONVERTIBLE SENIOR NOTES DUE 2014 (CUSIP NO. 656568AD4; 656568AE2) PURSUANT TO AN INDENTURE DATED AS OF MARCH 28, 2007, AS AMENDED

(vi) US\$150,000,000 7.875% NOTES DUE 2026 (CUSIP NO. 665810AB3) PURSUANT TO AN INDENTURE DATED AS OF FEBRUARY 15, 1996, AS AMENDED

(vii) US\$200,000,000 6.875% UNSECURED SENIOR NOTES DUE 2023 (CUSIP NO. 665815AH9) PURSUANT TO AN INDENTURE DATED AS OF NOVEMBER 30, 1988, AS AMENDED

(collectively, the “Bonds”)

MEETING OF AFFECTED UNSECURED CREDITORS OF NORTEL NETWORKS CORPORATION, NORTEL NETWORKS LIMITED, NORTEL NETWORKS GLOBAL CORPORATION, NORTEL NETWORKS INTERNATIONAL CORPORATION, NORTEL NETWORKS TECHNOLOGY CORPORATION, NORTEL COMMUNICATIONS INC., ARCHITEL SYSTEMS CORPORATION AND NORTHERN TELECOM CANADA LIMITED (THE “CANADIAN DEBTORS”)

to be held pursuant to an Order of the Ontario Superior Court of Justice (the “**Meeting Order**”) in connection with the Plan of Compromise and Arrangement (the “**Plan**”) under the *Companies’ Creditors Arrangement Act* (Canada) in respect of the Canadian Debtors at **1 p.m.** on **Tuesday, January 17, 2017**, (or such other date as may be set and announced in accordance with the Meeting Order) at **The International Centre Conference Centre (6900 Airport Road, Mississauga, Ontario)** and any adjournment thereof.

Before completing this Master Authentication Form, please carefully read the accompanying instructions for information respecting the proper completion and return of this Master Authentication Forms.

THIS MASTER AUTHENTICATION FORM MUST BE COMPLETED AND SIGNED IN ACCORDANCE WITH THE INSTRUCTIONS. PURSUANT TO THE ORDER OF THE CCAA COURT DATED DECEMBER 1, 2016, YOU MUST ATTACH COPIES OF ALL BONDHOLDER PROXIES RELEVANT TO THE MASTER AUTHENTICATION FORM AND IT MUST BE PROVIDED TO EPIQ BANKRUPTCY SOLUTIONS, LLC PRIOR TO **4:00 P.M. EASTERN TIME ON JANUARY 10, 2017.**

Canadian CCAA Proceedings Only

USE ONE MASTER AUTHENTICATION FORM PER CUSIP. PLEASE CHECK A BOX BELOW TO INDICATE TO WHICH CUSIP THIS MASTER AUTHENTICATION FORM PERTAINS

<input type="checkbox"/>	656568AC6	<input type="checkbox"/>	656569AG5
<input type="checkbox"/>	656568AD4	<input type="checkbox"/>	656569AH3
<input type="checkbox"/>	656568AE2	<input type="checkbox"/>	656569AK6
<input type="checkbox"/>	656568AF9	<input type="checkbox"/>	665810AB3
<input type="checkbox"/>	656569AD2	<input type="checkbox"/>	665815AH9

PART I: Principal Amount of Bonds as at November 21, 2016 (the “Voting Record Date”):

<u>Beneficial Bondholder Name</u>	<u>Account #</u>	<u>Principal Amount of Bonds at Voting Record Date</u>

(If additional space is required, please attach extra pages)

Copies of all Proxies received and reflected above (or on the attached extra pages) are attached to this Master Authentication Form.

PART II: PARTICIPANT HOLDER CERTIFICATION AND INFORMATION

The undersigned certifies that as of the Voting Record Date (listed above), the principal value of the holdings of the Beneficial Bondholders listed above (or on the attached extra pages) is true and accurate.

Date Submitted: _____, 2016 Participant No. _____

Print Name of Participant Holder (please print legibly): _____

Signature: _____

Authorized Participant Holder Employee Contact (Print Name): _____

Title: _____

Tel. No.: _____ Fax No.: _____

E-Mail: _____

MEDALLION STAMP BELOW:

DELIVERY

Completed Master Authentication Forms should be sent to:

Epiq Bankruptcy Solutions, LLC
Attn: Nortel Networks Corporation
Master Authentication Form Processing
777 Third Avenue, 12th Floor
New York, NY 10017

Master Authentication Forms may be delivered by mail, courier or personal delivery, all at the contact information above, and must be received by Epiq **no later than 4:00 p.m. (Eastern Time) on January 10, 2017.**

**IF YOU HAVE ANY QUESTIONS REGARDING THIS FORM OR THE PROCEDURES,
PLEASE CONTACT THE MONITOR'S AGENT BY EMAIL AT
TABULATION@EPIQSYSTEMS.COM AND
REFERENCE "NORTEL CANADA" IN THE SUBJECT LINE.**

INSTRUCTIONS FOR COMPLETION OF MASTER AUTHENTICATION FORMS

1. **You must use a separate Master Authentication Form for each CUSIP.**
2. Each Participant Holder providing a Master Authentication Form must complete Parts I and II of the Master Authentication Form and provide all information requested therein. Please take notice of the following:
 - A. Part I relates to Bonds for which you have received Proxies from Beneficial Bondholders; and
 - B. Part II is your certification – you must complete this section and sign it.
3. You must attach copies of each Bondholder Proxy to the Master Authentication Form. **If you receive further Proxies after you have submitted a Master Authentication Form, you may submit one or more further Master Authentication Forms as long as all Master Authentication Forms are received by the Deadline (defined below).**
4. If this Master Authentication Form is not dated in the space provided, it will be deemed to bear the date on which it is received by Epiq.
5. The Participant Holder must complete the Master Authentication Form, sign, and certify in order for it to be valid.
6. Master Authentication Forms (including the attached Bondholder Proxies) may be delivered to Epiq at the address below, and must be received by Epiq **no later than 4:00 p.m. (Eastern Time) on January 10, 2017 (the “Deadline”).**

Epiq Bankruptcy Solutions, LLC
Attn: Nortel Networks Corporation
Master Authentication Form Processing
777 Third Avenue, 12th Floor
New York, NY 10017

**IF YOU HAVE ANY QUESTIONS REGARDING THIS FORM OR THE PROCEDURES,
PLEASE CONTACT THE MONITOR’S AGENT BY EMAIL AT
TABULATION@EPIQSYSTEMS.COM AND
REFERENCE “NORTEL CANADA” IN THE SUBJECT LINE.**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF NORTEL NETWORKS CORPORATION, NORTEL NETWORKS LIMITED, NORTEL NETWORKS GLOBAL CORPORATION, NORTEL NETWORKS INTERNATIONAL CORPORATION, NORTEL NETWORKS TECHNOLOGY CORPORATION, NORTEL COMMUNICATIONS INC., ARCHITEL SYSTEMS CORPORATION AND NORTHERN TELECOM CANADA LIMITED

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto, Ontario Canada

**PLAN FILING AND MEETING ORDER
(Returnable December 1, 2016)**

GOODMANS LLP
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

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