



**IN THE MATTER OF** the *Pension Benefits Act*, R.S.O. 1990,  
c. P.8, as amended (the “*PBA*”);

**AND IN THE MATTER OF** a Notice of Intended Decision of the  
Superintendent of Financial Services to make an Order under  
section 83 of the *PBA*, respecting the **Nortel Networks Limited  
Managerial and Non-Negotiated Pension Plan, Registration  
Number 0342048.**

**TO:** **Morneau Shepell Ltd., successor to  
Morneau Sobeco Limited Partnership  
895 Don Mills Road, Suite 700  
One Morneau Sobeco Centre  
Toronto ONN M3C 1W3**

**Attention: Hamish Dunlop, Principal  
Administrator**

**AND TO:** **The parties listed in Schedule “A”**

## **NOTICE OF INTENDED DECISION**

**I INTEND TO MAKE AN ORDER** under section 83 of the *PBA* declaring that the  
Pension Benefits Guarantee Fund (“Guarantee Fund”) applies to the Nortel Networks Limited  
Managerial and Non-Negotiated Pension Plan, Registration Number 0342048 (the “Plan”).

### **REASONS:**

1. The Plan is registered under the *PBA*.
2. The Plan provides defined benefits that are not exempt from the application of the  
Guarantee Fund by the *PBA* or the regulations made thereunder.
3. The Plan is being wound up in whole effective October 1, 2010.
4. There are reasonable and probable grounds that the funding requirements of the *PBA* and  
regulations cannot be satisfied. In an Actuarial Opinion prepared by the Plan’s Actuaries,

dated March 31, 2011 and filed by the Administrator, the Plan's Actuaries attest that the Plan's assets are not sufficient to cover the liabilities of the Plan on a wind up basis. They also attest that the Ontario assets of the Plan are significantly less than its Ontario wind up liability. They recommend that the Administrator apply for an allocation from the Guarantee Fund for the payment of benefits guaranteed by the Guarantee Fund.

5. Such further and other reasons as may come to my attention.

**YOU ARE ENTITLED TO A HEARING** by the Financial Services Tribunal (the "Tribunal") pursuant to section 89(6) of the *PBA*. **To request a hearing, you must deliver to the Tribunal a written notice that you require a hearing, within thirty (30) days after this Notice of Intended Decision is served on you.**<sup>1</sup>

**YOUR WRITTEN NOTICE** must be delivered to:

Financial Services Tribunal  
5160 Yonge Street  
14th Floor  
Toronto, Ontario  
M2N 6L9

Attention: The Registrar

**FOR FURTHER INFORMATION** on a Form for the written notice, please see the Tribunal website at [www.fstontario.ca](http://www.fstontario.ca) or contact the Registrar of the Tribunal by phone at 416- 590-7294, toll free at 1-800-668-0128, ext. 7294, or by fax at 416-226-7750.

**IF YOU FAIL TO REQUEST A HEARING WITHIN THIRTY (30) DAYS, I MAY CARRY OUT THE INTENDED DECISION AS DESCRIBED IN THIS NOTICE.**

**DATED** at Toronto, Ontario, this 12<sup>th</sup> day of April 2011.

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<sup>1</sup>

NOTE - Pursuant to section 112 of the *PBA* any Notice, Order or other document is sufficiently given, served or delivered if delivered personally or sent by regular mail and any document sent by regular mail shall be deemed to be given, served or delivered on the seventh day after the date of mailing.

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Brian Mills  
Deputy Superintendent, Pensions  
(A)

Copy: David Vincent, Ogilvy Renault LLP, counsel to Nortel  
Gale Rubenstein, Goodmans LLP, counsel to Ernst & Young Inc., Monitor  
Ken Rosenberg, Paliare Roland Rosenberg Rothstein LLP, counsel to the Superintendent  
of Financial Services  
James D. Gage, McCarthy Tetrault LLP, counsel to the Administrator

**Schedule "A"**

- TO:** Nortel Networks Limited  
5945 Airport Rd. Suite 360  
Mississauga, ON, 14V 1R9  
Attention: Leila Wong, Director, Global Pensions
- AND TO:** Ernst & Young Inc. (court appointed Monitor of Nortel)  
222 Bay Street, Suite 1600  
Toronto, ON M5K 1J7  
Attention: Murray A. McDonald, President
- AND TO:** Donald Sproule, David Archibald and Michael Campbell, court appointed  
representatives of the Nortel Former Employees  
c/o Koskie Minsky LLP  
20 Queen Street West  
Suite 900, Box 52  
Toronto, ON M5H 3R3  
Attention: Mark Zigler and Susan Philpott
- AND TO:** Sue Kennedy, court appointed representative of the Represented LTD Beneficiaries  
of Nortel  
c/o Koskie Minsky LLP  
20 Queen Street West  
Suite 900, Box 52  
Toronto, ON M5H 3R3  
Attention: Mark Zigler and Susan Philpott
- AND TO:** Koskie Minsky LLP, court appointed counsel for the Former Employees of Nortel  
and the Represented LTD Beneficiaries of Nortel  
20 Queen Street West  
Suite 900, Box 52  
Toronto, ON M5H 3R3  
Attention: Mark Zigler and Susan Philpott
- AND TO:** Kent Felske and Dany Sylvain, court appointed representatives of all Canadian  
non-unionized employees of Nortel whose employment with Nortel continues
- C/O:** Nelligan O'Brien Payne LLP, court appointed counsel for the Canadian non-  
unionized employees of Nortel whose employment with Nortel continues  
50 O'Connor Street, Suite 1500  
Ottawa, ON K1P 6L2  
Attention: Janice Payne and Steven Levitt
- AND C/O:** Shibley Righton LLP, court appointed counsel for the Canadian non-unionized  
employees of Nortel whose employment with Nortel continues  
250 University Ave, Suite 700  
Toronto, ON M5H 3E5  
Attention: Arthur O. Jacques and Thomas McRae