

**UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF TENNESSEE  
NASHVILLE DIVISION**

*In Re Nortel Networks Corp. "ERISA" Litigation*

MDL Docket No. 03:03-MD-1537

**NOTICE OF PROPOSED SETTLEMENT OF ERISA CLASS ACTION,  
MOTION FOR AWARD OF ATTORNEYS' FEES AND EXPENSES  
AND NAMED PLAINTIFFS' COMPENSATION AWARDS,  
AND FAIRNESS HEARING**

**Your legal rights might be affected if you are:**

(a) a participant, whether active, inactive, or retired, in the Long-Term Investment Plan (the "Plan"), a 401(k) plan sponsored by Nortel Networks, Inc., who held Nortel stock in your 401(k) individual account at any time from March 7, 2000, through January 1, 2008.

or

(b) a beneficiary, alternate payee (including a spouse of a deceased Plan participant), representative, or successor-in-interest to a person described in clause (a).

**IF YOU ARE DESCRIBED IN PARAGRAPHS (a) OR (b) ABOVE, YOU MAY BE A MEMBER OF THE CLASS. PLEASE READ THIS NOTICE CAREFULLY AND COMPLETELY. A FEDERAL COURT AUTHORIZED THIS NOTICE. THIS IS NOT A SOLICITATION.**

This notice ("Notice") advises you of a proposed settlement (the "Settlement") of a class action lawsuit brought by James Kauffman, Michael Zafarano, and Carol Felts (the "Named Plaintiffs"), on behalf of themselves and as representatives of a class described herein (the "Class") against Settling Defendants Nortel Networks Corporation ("NNC"), Nortel Networks Limited ("NNL") and Nortel Networks Inc. ("NNI" and together with NNC and NNL, "Nortel"), and James J. Blanchard, John Edward Cleghorn, L. Yves Fortier, Robert Alexander Ingram, John Andrew Roth, Guylaine Saucier, Sherwood Hubbard Smith, Jr., Lynton Ronald Wilson, Dr. Manfred Bischoff, Robert Ellis Brown, John P. Manley, Richard David McCormick, William Arthur Owens, Harry Jonathan Pearce, Katharine B. Stevenson, Nicholas DeRoma, William J. Donovan, and John M. Doolittle, Mary Cross and Frank A. Dunn.

The Named Plaintiffs and the Settling Defendants are referred to herein as the "Settling Parties." The litigation is referred to as the "Nortel ERISA Action." The United States District Court for the Middle District of Tennessee (the "Court") has preliminarily approved the Settlement and scheduled a hearing to evaluate the fairness and adequacy of the Settlement. At that hearing, the Court will consider the Named Plaintiffs' (1) motion for final approval of the Settlement and for

certification of the Class for settlement purposes and (2) motion for an award of attorneys' fees and expenses and for Case Contribution Compensation for the Named Plaintiffs.

That hearing, before the Honorable John T. Nixon, has been scheduled for **January 11, 2012, at 10:00 a.m.** in Courtroom 774 of the United States District Court for the Middle District of Tennessee, 801 Broadway, Nashville, TN 37203. The terms of the Settlement are contained in a Stipulation of Settlement, a copy of which is available at [www.nortel.hrsclaims.com](http://www.nortel.hrsclaims.com) or by contacting Lead Counsel for the Class identified below. Capitalized terms used in this Notice and not defined herein have the meanings assigned to them in the Stipulation of Settlement. The Settlement will provide cash proceeds to the Plan, which will be allocated to the accounts of the members of the Class. The Settlement is summarized below.

Any questions regarding the Settlement should be directed to Lead Counsel for the Class ("Lead Counsel"):

Ron Kilgard, Esq.  
Keller Rohrback, L.L.P.  
3101 N. Central Avenue, Suite 1400  
Phoenix, AZ 85012  
Phone: 602-248-0088

Todd S. Collins, Esq.  
Berger & Montague, P.C.  
1622 Locust Street  
Philadelphia, PA 19103  
Phone: 800-424-6690

James G. Stranch, III  
Branstetter, Stranch & Jennings, PLLC  
227 2nd Ave. N., 4th Floor  
Nashville, TN 37201  
Phone: 615-254-8801

Please direct questions to Lead Counsel, not to the Court. Additional information regarding the Settlement is available at [www.nortel.hrsclaims.com](http://www.nortel.hrsclaims.com).

**IF YOU ARE A MEMBER OF THE CLASS TO WHOM THIS NOTICE IS ADDRESSED, THE SETTLEMENT WILL AFFECT YOUR RIGHTS. YOU DO NOT HAVE TO APPEAR IN COURT, AND YOU DO NOT HAVE TO HIRE AN ATTORNEY IN THIS CASE. IF YOU ARE IN FAVOR OF THE SETTLEMENT AND YOU RECEIVED A COPY OF THIS NOTICE IN THE MAIL, YOU NEED NOT DO ANYTHING. IF YOU DISAPPROVE, YOU MAY OBJECT TO THE SETTLEMENT PURSUANT TO THE PROCEDURES DESCRIBED BELOW.**

**ACTIONS YOU MAY TAKE IN THE SETTLEMENT**

<p><b>NO ACTION IS NECESSARY TO RECEIVE BENEFITS IF YOU RECEIVED THIS NOTICE IN THE MAIL.</b></p>	<p>If the Settlement is approved by the Court and you received this Notice in the mail, you are a member of the Class, and you do not need to do anything in order to receive a benefit. The portion, if any, of the Net Settlement Fund to be allocated to you will be calculated as part of the implementation of the Settlement.</p> <p>If you are a current participant in the Plan and you received this Notice in the mail, any share of the Net Settlement Fund to which you are entitled will be credited to your Plan account.</p> <p>If you are not a current Plan participant and you received this Notice in the mail, an account will be set up for you which will be credited with your share of the Net Settlement Fund.</p> <p>If you have not received this Notice in the mail but you believe you are a member of the Class described on Page 1, you should contact the Settlement Administrator at (877) 852-8870 by December 28, 2011, and provide it with your name and address and the reasons you believe you are in the Class.</p>
<p><b>YOU CAN OBJECT (NO LATER THAN DECEMBER 28, 2011).</b></p>	<p>If you wish to object to any part of the Settlement, including the requests for attorneys' fees and expenses and Case Contribution Compensation for the Named Plaintiffs, you can write to the Court and counsel and explain why you do not like the Settlement.</p>
<p><b>YOU CAN GO TO THE HEARING ON JANUARY 11, 2012, AT 10:00 A.M.</b></p>	<p>If you have submitted a written objection and notice to appear to the Court and counsel, as explained below, you can ask to speak in Court about the fairness of the Settlement.</p>

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As described in more detail below, and in the Second Amended Class Action Complaint, the case concerns allegations that defendants violated the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. § 1001, *et seq.* (“ERISA”), in connection with the holding of Nortel stock in the Plan. Copies of the Second Amended Class Action Complaint and other documents filed in this Nortel ERISA Action are available at [www.nortel.hrsclaims.com](http://www.nortel.hrsclaims.com).

### SUMMARY OF SETTLEMENT

The Net Settlement Fund will be allocated to those participants and beneficiaries of the Plan who are identified as members of the Class and whose current mailing addresses have been ascertained after reasonable efforts and based upon the reasonably accessible records maintained by the Plan and/or the Plan Administrator. The Net Settlement Fund, which will consist of a Gross Settlement Fund of \$21,500,000, less certain amounts set forth in the Stipulation of Settlement and described herein (including expenses associated with notice to the Class, Court-approved attorneys’ fees and expenses, Court-approved Case Contribution Compensation for the Named Plaintiffs, and other costs related to the administration of the Settlement and implementation of the Plan of Allocation), will be paid to the Plan and allocated among the Class Members in accordance with the Plan of Allocation to be approved by the Court. See Section 7 below for details about the Plan of Allocation.

The Class consists of (a) all participants, whether active, inactive, or retired, in the Plan who held Nortel stock in their 401(k) individual accounts at any time from March 7, 2000, through January 1, 2008, and (2) as to each person within the scope of subsection (a) of this paragraph, his, her, or its beneficiaries, alternate payees (including spouses of deceased Plan participants), representatives, or successors-in-interest; *provided*, however, that the Class shall not include (i) the Settling Defendants; (ii) members of the immediate families of each of the Settling Defendants; and (iii) the legal representatives, heirs, predecessors, successors, or assigns of any such excluded person or entity.

As with any litigation, the Settling Parties would face an uncertain outcome if the Nortel ERISA Action were to continue, especially in view of Nortel’s insolvency and bankruptcy proceedings in Canada and the United States. Continued litigation of the Nortel ERISA Action could result in a judgment or verdict greater or less than the recovery under the Settlement or in no recovery at all. Throughout this litigation, the Named Plaintiffs and the Settling Defendants have disagreed on both liability and damages, and they do not agree on the amount that would be recoverable even if the Named Plaintiffs were to prevail at trial. The Settling Defendants, among other things, (1) have denied, and continue to deny, the material allegations of the Second Amended Class Action Complaint; (2) have denied, and continue to deny, any wrongdoing or liability whatsoever; (3) believe that they acted at all times reasonably and prudently and in accordance with applicable law with respect to the Plan, the participants and beneficiaries, and the Class; (4) would assert certain other defenses if this Settlement is not consummated; and (5) are entering into the Settlement solely to avoid the cost, disruption, and uncertainty of litigation. The Settling Parties have taken into account the uncertainty and risks inherent in this litigation, particularly its complex nature and Nortel’s bankruptcy proceedings in Canada and the United States, and have concluded that it is desirable that this Nortel ERISA Action be fully and finally settled on the terms and conditions set forth in the Stipulation of Settlement.

Lead Counsel in this Nortel ERISA Action will apply to the Court for an order awarding attorneys' fees up to one-third (1/3) of the Gross Settlement Fund, or \$7,166,667, plus reimbursement of expenses. In addition, Lead Counsel will apply to the Court for Case Contribution Compensation of \$10,000 for each of the Named Plaintiffs, as well as an additional amount of \$10,852 to Named Plaintiff Carol Felts to compensate her for the severance she declined under the Nortel Networks Severance Allowance Plan in order to participate as a Named Plaintiff in this action. Any award of attorneys' fees and expenses and any Case Contribution Compensation will be payable from the proceeds of the Gross Settlement Fund.

## **BASIC INFORMATION**

### **1. Why did I receive this Notice package?**

Either you or someone in your family may be a member of the Class. The Court has directed that this Notice be sent to you because, as a potential member of the Class, you have a right to know about the proposed Settlement with the Settling Defendants before the Court decides whether to approve the Settlement. If the Court approves the Settlement, any related objections and appeals are favorably resolved, and the Settlement also receives approval from the United States Bankruptcy Court for the District of Delaware and the Ontario Superior Court of Justice, the Net Settlement Fund will be allocated among the Class according to a Court-approved Plan of Allocation. Furthermore, the Released Parties will be released from all Released Claims, as set forth in the Stipulation of Settlement.

This Notice explains the Nortel ERISA Action, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how you will receive your portion of the benefits. The purpose of this Notice is also to inform you of a hearing (the "Fairness Hearing") to be held by the District Court to consider the fairness, reasonableness and adequacy of the proposed Settlement, including the Plan of Allocation, and to consider requests for attorneys' fees and expenses and for Case Contribution Compensation for the Named Plaintiffs.

The Fairness Hearing will be held on **January 11, 2012, at 10:00 a.m.** before the Honorable John T. Nixon in Courtroom 774 of the United States District Court for the Middle District of Tennessee, 801 Broadway, Nashville, TN 37203 to determine:

- (a) whether the Class should be finally certified, for settlement purposes, as a class action;
- (b) whether the Settlement should be approved as fair, reasonable, and adequate;
- (c) whether all claims and counterclaims in the litigation should be dismissed with prejudice pursuant to the terms of the Stipulation of Settlement;
- (d) whether the proposed Plan of Allocation for the proceeds of the Settlement is fair and reasonable and should be approved;
- (e) whether the Notice and the Publication Notice and the means of disseminating same pursuant to the Stipulation of Settlement (i) were appropriate and reasonable and constituted due, adequate, and sufficient notice to all persons entitled to notice and (ii) met all applicable requirements of the Federal Rules of Civil Procedure and any other applicable law;
- (f) whether to approve the application for attorneys' fees and expenses by Lead Counsel;

- (g) whether to approve the application for Case Contribution Compensation for the Named Plaintiffs;
- (h) how to resolve any timely and proper objections to the Settlement, the application for attorneys' fees and expenses, or the application for Case Contribution Compensation for the Named Plaintiffs; and
- (i) any other matters the Court may deem appropriate.

The issuance of this Notice is not an expression of the Court's opinion on the merits of any claim or counterclaim in the Nortel ERISA Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement, payment to the Class will be made after all related appeals, if any, are favorably resolved.

## **2. What is the lawsuit about? What has happened so far?**

In the Nortel ERISA Action, the Named Plaintiffs allege that the Settling Defendants breached their fiduciary duties under ERISA with respect to the Plan by continuing to allow the investment of participant account balances in Nortel stock, by making false and misleading communications to the Class about Nortel stock, and by other related acts. The Settling Defendants filed a counterclaim against certain of the Named Plaintiffs and unnamed Class Members for allegedly breaching release agreements that provided them with severance and other benefits.

The Settling Defendants have denied and continue to deny that they have any liability to Plan participants or beneficiaries. Certain defendants initially moved to dismiss the case in 2003. Prior to a decision, the complaint was amended. Certain defendants then filed another motion to dismiss on July 8, 2005, in which other individual defendants joined. By June of 2005, substantial discovery had been undertaken, requiring the provision and review of many millions of documents from the Nortel Securities II litigation. On October 11, 2006, the motions to dismiss were denied in large part, and on April 30, 2007, the defendants answered the complaint and filed a counterclaim. Discovery was then fully undertaken, including extensive written and deposition discovery regarding both fact and expert information. The parties also engaged in significant motion practice regarding discovery throughout the Nortel ERISA Action.

On January 14, 2009, Nortel filed for protection under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware. Nortel filed a comparable case under Canadian law in the Ontario Superior Court of Justice.

On September 2, 2009, United States Magistrate Judge John S. Bryant issued a Report and Recommendation that recommended certifying the Nortel ERISA Action as a class action pursuant to Rule 23(b)(1) of the Federal Rules of Civil Procedure. However, the Court did not decide whether to accept that recommendation; on September 25, 2009, the Nortel ERISA Action was stayed pending the outcome of the bankruptcy proceedings.

Lead Counsel conducted numerous formal mediation sessions with the Settling Defendants, as well as ongoing informal discussions, in which the terms of the Settlement were extensively debated and negotiated. After the Named Plaintiffs and the Settling Defendants presented their

Stipulation of Settlement to the Court, the Court preliminarily certified the Class under Rule 23(b)(1) and (2) of the Federal Rules of Civil Procedure and approved notice of the Settlement to the Class.

### **3. Why is this case a class action?**

In a class action, one or more plaintiffs, called “named plaintiffs,” sue on behalf of people who have similar claims. All of the individuals on whose behalf the Named Plaintiffs in this Nortel ERISA Action are suing are members of a “class” referred to in this Notice as the Class. The Court resolves the issues for all members of the Class.

### **4. Why is there a Proposed Settlement?**

The Court has not expressed any opinions or reached any decisions on the ultimate merits of the Named Plaintiffs’ claims or the Settling Defendants’ counterclaim. Instead, the Named Plaintiffs and Settling Defendants have agreed to a Settlement to resolve the Nortel ERISA Action. In reaching the Settlement, they hope to avoid the cost and delay of a trial. As with any litigation, the parties would face an uncertain outcome if this case proceeded, including the risk of unfavorable rulings on pending and future motions, the risk of not prevailing at trial, and the risk of not being able to fully collect a judgment due to Nortel’s bankruptcy.

This Settlement is the product of extensive arm’s length negotiations between Lead Counsel and the Settling Defendants’ counsel, all of whom are very experienced with respect to litigation of this type. Based on the general risks of litigation and the particular risks presented by this case, the Named Plaintiffs and Lead Counsel believe the Settlement is fair, reasonable, and adequate and in the best interest of all Class members. Additional information concerning these factors is available in the motion for preliminary approval of the Stipulation of Settlement, which may be obtained at [www.nortel.hrsclaims.com](http://www.nortel.hrsclaims.com).

### **5. How do I know whether I am a member of the Class?**

The Court has certified this Nortel ERISA Action as a class action solely for purposes of effectuating the Settlement. If the Settlement does not become final, the preliminary certification of the Class shall become null and void, and the Settling Parties shall be returned to the status each occupied before the preliminary certification.

The Class consists of (a) all participants, whether active, inactive, or retired, in the Plan who held Nortel stock in their 401(k) individual accounts at any time from March 7, 2000, through January 1, 2008, and (2) as to each person within the scope of subsection (a) of this paragraph, his, her, or its beneficiaries, alternate payees (including spouses of deceased Plan participants), representatives, or successors-in-interest; *provided*, however, that the Class shall not include (i) the Settling Defendants; (ii) members of the immediate families of each of the Settling Defendants; and (iii) the legal representatives, heirs, predecessors, successors, or assigns of any such excluded person or entity.

### **6. What does the Settlement provide?**

The Stipulation of Settlement provides for a payment of \$21,500,000 in cash, which is the Gross Settlement Amount. After deduction of the costs of notice to the Class, the costs of settlement administration and implementation of the Plan of Allocation, Court-approved attorneys’ fees and

expenses, Court-approved Case Contribution Compensation for the Named Plaintiffs, and any taxes, the remaining amount will be the Net Settlement Amount.

If you have been identified as a Class Member and your current mailing address has been ascertained after reasonable efforts and based upon the reasonably accessible records maintained by the Plan and/or the Plan Administrator, your share of the Net Settlement Fund, if any, will be determined by the Court-approved Plan of Allocation, described generally in Section 7 below. Allocations will be made to Plan accounts established for the identified Class Members who have accounts, and for the identified Class Members who do not have Plan accounts, Plan accounts will be set up for them.

Distributions and allocations of the Net Settlement Fund will occur after the Settlement's Effective Date, which occurs upon: the payment of the Gross Settlement Fund, the approval of the Settlement by the United States Bankruptcy Court for the District of Delaware and the Ontario Superior Court of Justice, and the final approval of the Settlement by this Court after any appeals relating to the Settlement are favorably decided.

As part of the Settlement, all Class members and anyone claiming through them will fully release the Settling Defendants and other Released Parties (as defined in the Stipulation of Settlement) from Released Claims and will be forever enjoined from bringing such Released Claims. Likewise, the Settling Defendants will fully release the Class Members from Released Claims and are forever enjoined from bringing such Released Claims.

The Released Claims (as defined in the Stipulation of Settlement) include all claims and counterclaims that were or could have been asserted in the Nortel ERISA Action. This means that Class members will not have the right to sue the Released Parties for any such claims if the Settlement is approved. The Released Claims do not include (i) claims to enforce the Settlement or (ii) individual claims for vested benefits under ERISA § 502(a)(1)(B), 29 U.S.C. § 1132(a)(1)(B), that are not related to the claims or counterclaims in the Nortel ERISA Action.

### **7. What will be my share of the Settlement?**

Paragraph 8 of the Stipulation of Settlement sets forth a detailed Plan of Allocation, which the Court will consider approving at the Fairness Hearing. The Plan of Allocation describes the manner by which the Net Settlement Fund will be allocated to Class Members.

In general terms, the Settlement Administrator will calculate the Loss of each Class Member based on that individual's interest in Nortel stock between March 7, 2000, and January 1, 2008. The Loss of all Class Members will be totaled to yield the overall Plan Loss. The Settlement Administrator will then calculate the Individual Claim Amount for each Class Member, which is the same percentage of the Net Settlement Fund as the Class Member's Loss bears to the overall Plan Loss. Any Individual Claim Amount less than \$20 will be considered a De Minimis Amount, and only Class Members with Individual Claim Amounts of at least \$20 will receive a distribution. You are not responsible for calculating the amount you may be entitled to receive under the Settlement. This calculation will be done as part of the implementation of the Settlement and will be based on reasonably available Plan data.

The Net Settlement Fund is less than the total alleged losses in the Nortel ERISA Action, as set forth in the Second Amended Class Action Complaint. However, Lead Counsel believe that the Settlement will result in identified Class Members receiving a fair amount, given the risks presented and the possibility that litigation might result in less recovery or zero recovery.

#### **8. How would I receive my portion of the Settlement?**

You do not need to file a claim in order to be eligible for recovery. If you are a current Plan participant, your share of the Net Settlement Fund will be credited to your Plan account. If you are a former Plan participant, a Plan account will be set up for you to which your share of the Net Settlement Fund will be credited. The Plan of Allocation contemplates distributions based on the aggregate number of Class Members who have been identified and located. If you believe you are a member of the Class, but you did not receive this Notice in the mail, please contact the Settlement Administrator at (877) 852-8870 by December 28, 2011, and provide it with your name and current address and the reasons you believe you are a member of the Class.

#### **9. When would I receive my Settlement benefit?**

Allocation of Settlement benefits is conditioned on several matters, including the Court's approval of the Settlement and that approval becoming Final and no longer subject to any appeals. Upon satisfaction of all of these conditions, the Net Settlement Fund will be allocated to Class members' Plan accounts as soon as reasonably practicable. Any appeal of the Court's approval could take several years. The Stipulation of Settlement may be terminated on several grounds, including if the Court does not approve the Settlement. If the Stipulation of Settlement is terminated, the Settlement will also be terminated, and the Nortel ERISA Action will proceed as if the Settlement had not been reached.

#### **10. Can I exclude myself from the Settlement?**

You do not have the option to exclude yourself from the Settlement. The Class was certified under Federal Rule of Civil Procedure 23(b)(1) and (2) as a non-"opt out" class for the reasons stated in the Court's Preliminary Settlement Approval Order, a copy of which is available at [www.nortel.hrsclaims.com](http://www.nortel.hrsclaims.com). Thus, it is not possible for Plan participants or beneficiaries to exclude themselves from the Settlement. As a Class Member, you will be bound by any judgments or orders that are entered in the Nortel ERISA Action as to all claims that were or could have been asserted therein. Although you cannot opt out of the Settlement, you can object to the Court approving the Settlement or matters related to the Settlement. For information on how to do so, see Section 13 below.

### **THE LAWYERS REPRESENTING YOU**

#### **11. Do I have a lawyer in the case?**

The Court has appointed the law firms of Branstetter, Stranch & Jennings, PLLC; Berger & Montague, PC; and Keller Rohrback, LLP as Lead Counsel for the Class. You will not be charged directly by these firms. If you want to be represented by your own lawyer, you may hire one at your own expense.

#### **12. How will the lawyers be paid?**

Lead Counsel will file a motion for an award of attorneys' fees and reimbursement of expenses on behalf of Plaintiffs' counsel for work performed at their direction, as well as Case

Contribution Compensation for the Named Plaintiffs for their contributions in litigating the case. The attorneys' fees sought will not exceed one-third (1/3) of the Gross Settlement Fund, or \$7,166,667. Lead Counsel will request Case Contribution Compensation of \$10,000 for each of the Named Plaintiffs, as well as an additional amount of \$10,852 to Named Plaintiff Carol Felts to compensate her for the severance she declined in order to participate as a Named Plaintiff in this action. Any award of attorneys' fees and expenses or Case Contribution Compensation will be paid from the Gross Settlement Fund prior to allocation and payment to the Class. A copy of Lead Counsel's motion will be available at [www.nortel.hrsclaims.com](http://www.nortel.hrsclaims.com) or by requesting a copy from Lead Counsel.

To date, Lead Counsel have not received any payment for their services in prosecuting this Nortel ERISA Action on behalf of the Class, nor have Lead Counsel been reimbursed for their out-of-pocket expenses. The fees requested by Lead Counsel would compensate appointed counsel for their efforts in achieving the Settlement for the benefit of the Class and for their risk in undertaking this representation on a contingent basis. The Court will determine the actual amount of the award.

## **OBJECTIONS**

### **13. How do I raise any objection I have to the Settlement?**

Class members may appear at the Fairness Hearing and explain why they think the Settlement of the Nortel ERISA Action as embodied in the Stipulation of Settlement, including the Plan of Allocation, should not be approved as fair, reasonable, and adequate and why a judgment should not be entered thereon; why attorneys' fees and expenses should not be awarded, in whole or in part; or why the Named Plaintiffs should not be granted Case Contribution Compensation, in whole or in part.

However, no member of the Class shall be heard or entitled to contest these matters unless such Class Member has filed with the Court and served on counsel a written objection, including any legal support and/or evidence that such Objector wishes to bring to the Court's attention or introduce in support of such objection. To object, please send a letter or other written statement with your objection(s) in accordance with the instructions below. Be sure to include your name, address, telephone number, signature, and a full explanation of all reasons you object.

**Your written objection must be filed with the Court and served upon the counsel listed below so as to be received by no later than fourteen (14) calendar days before the date of the Fairness Hearing:**

**File with the Clerk of the Court:**

Clerk of the Court  
Re: MDL Docket No. 03:03-MD-1537  
United States District Court  
for the Middle District of Tennessee  
801 Broadway, Room 800  
Nashville, TN 37203

**Serve copies of all such papers by mail or fax upon each of the following:**

To Lead Counsel:

Ron Kilgard, Esq.  
Keller Rohrback, L.L.P.  
3101 N. Central Avenue, Suite 1400  
Phoenix, AZ 85012  
Fax: 602-248-2822

Todd S. Collins, Esq.  
Berger & Montague, P.C.  
1622 Locust Street  
Philadelphia, PA 19103  
Fax: 215-875-4604

James G. Stranch, III  
Branstetter, Stranch & Jennings, PLLC  
227 2nd Ave. N., 4th Floor  
Nashville, TN 37201  
Fax: 615-255-5419

To counsel for Settling Defendants:

René E. Thorne, Esq.  
Jackson Lewis LLP  
650 Poydras, Suite 1900  
New Orleans, LA 70130  
Fax: 504-208-1759

**UNLESS OTHERWISE ORDERED BY THE COURT, ANY CLASS MEMBER WHO DOES NOT OBJECT IN THE MANNER DESCRIBED HEREIN WILL BE DEEMED TO HAVE WAIVED ANY OBJECTION AND SHALL BE FOREVER FORECLOSED FROM MAKING ANY OBJECTION TO THE PROPOSED SETTLEMENT AND THE MOTION FOR ATTORNEYS' FEES AND EXPENSES AND CASE CONTRIBUTION COMPENSATION.**

#### **THE COURT'S FAIRNESS HEARING**

##### **14. When and where will the Court decide whether to approve the Settlement?**

The Court will hold a Fairness Hearing on January 11, 2012, at 10:00 a.m. in Courtroom 774 of the United States District Court for the Middle District of Tennessee, 801 Broadway, Nashville, TN 37203.

**IF YOU DO NOT WISH TO OBJECT TO THE PROPOSED SETTLEMENT OR THE APPLICATION FOR ATTORNEYS' FEES AND EXPENSES AND CASE CONTRIBUTION COMPENSATION, YOU NEED NOT ATTEND THE FAIRNESS HEARING.**

At the hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. After the Fairness Hearing, the Court will decide whether to certify the Class and grant final approval to the Settlement, including the Plan of Allocation. The Court will also consider the motion for attorneys' fees and expenses and Case Contribution Compensation for the Named Plaintiffs. We do not know how long these decisions will take.

**15. Do I have to come to the hearing?**

Lead Counsel will answer questions that the Honorable John T. Nixon may have at the Fairness Hearing. You are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you filed and served your written objection in a timely manner, it will be before the Court when the Court considers whether to approve the Settlement as fair, reasonable, and adequate. You may also have your own lawyer attend the Fairness Hearing at your expense, but such attendance is not mandatory.

**16. May I speak at the hearing?**

If you are a member of the Class and you wish to speak or present evidence at the Fairness Hearing, you must file and serve a timely objection as described above. You must also file with the Court and serve upon counsel listed above a notice of intention to appear, setting forth, among other things, your name, address, and telephone number (and, if applicable, the name, address, and telephone number of your attorney) so as to be received no later than fourteen (14) calendar days before the date of the Fairness Hearing.

**IF YOU DO NOTHING**

**17. What happens if I do nothing at all?**

If you do nothing and you are identified as a Class member, and you have a Plan account or your address is current with the Settlement Administrator, you will participate in the Settlement as described above in this Notice if the Settlement is approved. If you are a member of the Class and the Settlement becomes effective, regardless of whether you have been identified by the Settlement Administrator or are receiving a share of the Net Settlement Fund, you will be deemed to have released all Released Claims against all Released Parties.

**OBTAINING FURTHER INFORMATION**

**18. How can I obtain further information?**

The above description of the terms of the Settlement is only a summary. Full details of the Settlement are set forth in the Stipulation of Settlement, including its exhibits. You may obtain a copy of the Stipulation of Settlement by making a written request to Lead Counsel listed in Section 13 above. Copies of the Stipulation of Settlement and the Court's Preliminary Settlement Approval Order may also be viewed at [www.nortel.hrsclaims.com](http://www.nortel.hrsclaims.com).

DATED: \_\_\_\_\_, 2011. By Order of the Court