



Communications, Energy and Paperworkers Union of Canada
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Ontario Region

February 17, 2009

TO: CEP Members Former Nortel Networks and Retirees

RE: NORTEL NETWORKS

I am writing this letter to you to confirm the steps that are being taken by the CEP in connection with the filing made by Nortel Networks under the *Company's Creditors Arrangement Act*.

I would ask that you provide a copy of this letter to as many of your members who are former employees of Nortel Networks.

This letter will confirm that the CEP has retained legal counsel in connection with this matter. We have instructed our legal counsel to intervene in the court proceedings that have been initiated in connection with Nortel's bankruptcy proceedings.

We have instructed our counsel to keep my office advised with respect to developments in this matter and ensure that steps are taken to advance claims on behalf of our members who are affected by Nortel's current situation.

This letter will be placed on the CEP website, and we will place updates on the website as developments occur.

I can confirm at this time that Nortel has not yet filed a Plan of Arrangement as required under the CCAA. Once a Plan of Arrangement has been filed by Nortel, then the CEP will be in a better position to provide an update with respect to these matters.

On February 10, 2009 the Court heard a motion made by Nortel et al to, among other matters, extend the stay period to May 1, 2009. That order was granted. This means that the Monitor (Ernst & Young) and the companies have till then to try to come up with a Plan to rescue the companies. At this time there is no claims procedure in place, and that will only happen if and when the Monitor goes to court to ask for the court's approval for such a procedure.

Our counsel has written to the Monitor to have our name added to the Service List, so that in the future I will receive all correspondence sent out to all potential creditors.

Yours truly,

Barb Dolan,
Administrative Vice President
CEP Ontario Region.

BD:lmc/cope-343

cc: Bob Huget, Vice President CEP Ontario Region
Kim Ginter, Administrative Vice President CEP Ontario Region
National Representatives Sean Howes, Janice McClelland, Chris MacDonald,
Paul Keighley, Gary Ellis, Joe Free