

GUIDE TO COMPLETING THE PROOF OF CLAIM FORM

This Guide has been prepared to assist Creditors in filling out the Proof of Claim form with respect to the Debtors listed in Section 1, below. If you have any additional questions regarding completion of the Proof of Claim form, please consult the Monitor's website at www.ey.com/ca/nortel or contact the Monitor, whose contact information is shown below.

Additional copies of the Proof of Claim form may be found at the Monitor's website address noted above.

Please note that this is a guide only, and that in the event of any inconsistency between the terms of this guide and the terms of the Claims Procedure Order made on July 30, 2009, the terms of the Claims Procedure Order will govern.

Section 1 – Name of Debtor:

- A separate Proof of Claim form must be filed for each Debtor against whom a claim is being asserted.
- The following is a list of Debtor companies against whom a claim may be asserted in this claims process:
 - Nortel Networks Corporation
 - Nortel Networks Limited
 - Nortel Networks Global Corporation
 - Nortel Networks International Corporation
 - Nortel Networks Technology Corporation.
- Please note that these procedures apply ONLY to claims filed against the five Debtor companies listed above. Several of the Debtors' affiliates are subject to creditor protection proceedings in other jurisdictions, including in the United States. Separate proceedings and deadlines have been or will be established in those cases for the filing of claims. With respect to the U.S. proceedings, a general bar date of September 30, 2009 at 4:00 p.m. (prevailing Eastern Time) has been established by the U.S. Court. If you believe you have claims against the U.S. Debtors,¹ any such claims must be filed in, and only in, the U.S. proceedings with the U.S. Debtors' claims agent. Procedures for filing such claims in the U.S. Proceedings can be found by going to the following internet link: www.chapter11.epiqsystems.com/nortel.

¹ The U.S. Debtors are: Nortel Networks Inc.; Nortel Networks Capital Corporation; Nortel Altsystems Inc.; Nortel Altsystems International Inc.; Xros Inc.; Sonoma Systems; Qtera Corporation; CoreTek, Inc.; Nortel Networks Applications Management Solutions Inc.; Nortel Networks Optical Components Inc.; Nortel Networks HPOCS Inc.; Nortel Networks (CALA) Inc.; Architel Systems (U.S.) Corporation; Nortel Networks International Inc.; Northern Telecom International Inc.; and Nortel Networks Cable Solutions Inc.

Section 2 – Original Creditor

- A separate Proof of Claim form must be filed by each legal entity or person asserting a claim against a Debtor listed in Section 1.
- The Creditor shall include any and all Claims it asserts against a single Debtor in a single Proof of Claim².
- The full legal name of the Creditor must be provided.
- If the Creditor operates under a different name, or names, please indicate this in a separate schedule in the supporting documentation.
- If the Claim has been assigned or transferred to another party, Section 3 must also be completed.
- Unless the Claim is assigned or transferred, all future correspondence, notices, etc. regarding the Claim will be directed to the address and contact indicated in this section.
- Certain Creditors are exempted from the requirement to file a Proof of Claim. Among those creditors who do not need to file a Proof of Claim are (i) current or former employees of the Debtors, for amounts owing to him or her in his or her capacity as a current or former employee of any of the Debtors, and (ii) individual bondholders in respect of Claims relating solely to the debt evidenced by their bonds. Please consult the Claims Procedure Order made on July 30, 2009 for details with respect to these and other exemptions.

Section 3 – Assignee

- If the Creditor has assigned or otherwise transferred its Claim, then Section 3 must be completed.
- The full legal name of the Assignee must be provided.
- If the Assignee operates under a different name, or names, please indicate this in a separate schedule in the supporting documentation.
- If the Monitor is satisfied that an assignment or transfer has occurred, all future correspondence, notices, etc. regarding the Claim will be directed to the Assignee at the address and contact indicated in this section.

² Paragraph 10 of the Claims Procedure Order made on July 30, 2009 provides that: "THIS COURT ORDERS that each Creditor shall include any and all Claims it asserts against an Applicant in a single Proof of Claim, provided however that where a Creditor has taken an assignment or transfer of a Claim after the Filing Date, that Creditor shall file a separate Proof of Claim for each such assigned or transferred Claim."

Section 4 – Amount of Claim of Creditor against Debtor

- Indicate the amount the Debtor / Officer(s) or Director(s) was, and still is indebted to the Creditor

Currency, Original Currency Amount

- The amount of the Claim must be provided in the currency in which it arose.
- Indicate the appropriate currency in the Currency column.
- If the Claim is denominated in multiple currencies, use a separate line to indicate the Claim amount in each such currency. If there are insufficient lines to record these amounts, attach a separate schedule indicating the required information.
- Claims denominated in a currency other than Canadian dollars will be converted into Canadian dollars by the Monitor using the exchange rates set out in Appendix A.

Secured

- Check the Secured box ONLY if the Claim recorded on that line is secured. Do not check this box if your Claim is unsecured
- If the value of the collateral securing your Claim is less than the amount of your Claim, enter the shortfall portion on a separate line as an unsecured claim
- Evidence supporting the security you hold must be submitted with the Proof of Claim form. Provide full particulars of the nature of the security, including the date on which the security was given and the value you attribute to the collateral securing your Claim. Attach a copy of all related security documents.

S. 136 Priority

- Check this box ONLY if the amount of your Claim has a right to priority pursuant to Section 136 of the Bankruptcy and Insolvency Act (Canada) (the "BIA") or would be entitled to claim such a priority if this Proof of Claim were being filed in accordance the provisions of the BIA.
- If a priority claim is being asserted, please provide details as to the nature of the claim being asserted, and the basis for priority on which you rely.

Restructuring

- Check this box ONLY if the amount of the Claim against the Debtor arose out of the restructuring, termination, repudiation or disclaimer of a lease, contract, or other agreement or obligation on or after January 14, 2009.

Officers and Directors

- Check this box only if the Claim you are making is also being asserted against a current or former officer or director of the Debtor.
- You must identify the individual officer(s) or director(s) against whom you are asserting the Claim.

Section 5 – Documentation

- Attach to the claim form all particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor which has guaranteed the Claim³, and amount of invoices, particulars of all credits, discounts, etc. claimed, description of the security, if any, granted by the debtor or any officer or director to the Creditor and estimated value of such security, and particulars of any restructuring claim.

Section 6 – Certification

- The person signing the Proof of Claim form should
 - Be the Creditor, or authorized Representative of the Creditor.
 - Have knowledge of all the circumstances connected with this Claim.
- By signing and submitting the Proof of Claim, the Creditor is asserting the claim against the Debtor and / or the indicated officer(s) or director(s)

Section 7 – Filing of Claim

- This Proof of Claim **must be received** by the Monitor by no later than 4:00 p.m. (prevailing Eastern Time) on SEPTEMBER 30, 2009. Proofs of Claim should be send by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission to the following address:

Ernst & Young Inc.
Court-appointed Monitor of Nortel Networks Corporation & others
222 Bay Street, Suite 1600
Toronto, Ontario
Canada M5K 1J7
Attention: Nortel Claims

Telephone: 1-866.942-7177 or 416-943-4439
E-mail: Nortel.monitor@ca.ey.com
Fax: 416-943-2808

Failure to file your Proof of Claim so that it is received by the Monitor by 4:00 p.m., on the Claims Bar Date of September 30, 2009 will result in your claim being barred and you will be prevented from making or enforcing a Claim against the Debtor or any current or former officer or director of any of the Debtors. In addition, you shall not be entitled to further notice in and shall not be entitled to participate as a creditor in these proceedings.

³ If the guarantor is another of the Debtors listed in Section 1, or one of the U.S. Debtors, a Proof of Claim against that Debtor or U.S. Debtor, as the case may be, must also be filed in these Canadian Proceedings or (in the case of U.S. Debtors) in the U.S. proceedings.

GUIDE TO COMPLETING THE PROOF OF CLAIM FORM continued

Appendix A

Currency conversion factors
Source: Reuters, January 14, 2009

This Appendix is for information only. You are to make your claim in the currency in which it arose. The Monitor will calculate all currency conversions.

		CAD per unit of Currency
CAD	Canadian Dollar	1
USD	United States Dollar	1.22025
EUR	Euro	1.6170753
GBP	United Kingdom: Pnd Ster	1.77741615
JPY	Japan: Yen	0.01362647

AED	United Arab Emir.: Dirham	0.33221709
ARS	Argentine Peso	0.35410621
AUD	Australian Dollar	0.82275356
BBD	Barbados Dollar	0.61319095
BDT	Bangladeshi Taka	0.01772331
BGN	Bulgaria: New Lev	0.82683968
BOB	Bolivian Boliviano	0.17345416
BRL	Brazilian Real	0.52726527
CHF	Swiss Franc	1.09468915
CLP	Chilean Peso	0.0019827
CNY	China: Yuan Renminbi	0.17854268
COP	Colombian Peso	0.00054867
CRC	Costa Rican Colon	0.00219273
CZK	Czech Koruna	0.06004872
DKK	Danish Krone	0.21701242
DOP	Dominican Peso	0.03444601
DZD	Algerian Dinar	0.01682672
EEK	Estonian Kroon	0.10334226
EGP	Egyptian Pound	0.22086973
FJD	Fiji Dollar	0.67418812
GTQ	Guatemala: Quetzal	0.15495238
HKD	Hong Kong Dollar	0.15732068
HUF	Hungary: Forint	0.00583154
IDR	Indonesia: Rupiah	0.00010993
ILS	Israel: Shekel	0.31449742
INR	Indian Rupee	0.02499872
ISK	Iceland Krona	0.00966994
JMD	Jamaican Dollar	0.01515838
JOD	Jordanian Dinar	1.72084329
KPW	North Korean Won	0.00853023
KRW	Republic Of Korea: Won	0.00090543
KWD	Kuwaiti Dinar	4.28157891
LBP	Lebanese Pound	0.00080945
LKR	Sri Lanka Rupee	0.01072276

LTL	Lithuanian Litas	0.46830925
LVL	Latvian Lats	2.29456567
MAD	Moroccan Dirham	0.14500201
MXN	Mexican Peso	0.08842392
MYR	Malaysian Ringgit	0.34156754
NGN	Nigerian Naira	0.00816494
NOK	Norwegian Krone	0.17167276
NZD	New Zealand Dollar	0.6711375
OMR	Oman: Rial Omani	3.16980987
PAB	Panama: Balb0A	1.22025
PEN	Peru: Nuevo Sol	0.3889243
PGK	Papua New Guinea Kina	0.4671117
PHP	Philippine Peso	0.02592415
PKR	Pakistan Rupee	0.015414
PLN	Poland: Zloty	0.39077386
PYG	Paraguay: Guarani	0.0002498
QAR	Qatar: Qatari Rial	0.33516446
RON	New Romania Leu	0.37703348
RUB	Russian Ruble	0.03847246
SAR	Saudi Arabia: Saudi Riyal	0.32539566
SEK	Swedish Krona	0.14788041
SGD	Singapore Dollar	0.82052921
THB	Thailand: Baht	0.03495417
TND	Tunisian Dinar	0.89144172
TRY	New Turkish Lira	0.76914592
TTD	Trinidad & Tobago Dollar	0.19524
UAH	Ukraine: Hryvnia	0.13945714
UYU	Uruguay: Peso	0.05016444
VEF	Bolivar Fuerte	0.56827178
VND	Vietnam: Dong	0.00006981
XCD	East Caribbean Dollar	0.4587406
ZAR	South Africa: Rand	0.12249969
ZMK	Zambia: Kwacha	0.00024601