

Newsletter FLASH:

Notification of Approval of the Final Managerial Plan Wind up Report

We have been informed by Morneau Shepell (MS) that the wind up report for the Nortel Managerial and non-Negotiated Pension Plan (Reg.0342048) (the "Managerial Plan") was approved by FSCO on June 30, 2016, following extensive consultation with the pension regulators of all provinces.

Approval of the wind up report means that individualized "options letters" will be prepared and are expected to be mailed by the end of August to every member of the Managerial Plan. The options letters will be individualized and will incorporate your personal data.

Your options letter will identify and explain the choices available to you for settling your pension benefits as part of the windup. You will have 90 days to decide and notify MS of the option you have selected. Your options letter will spell out the default option that will be selected on your behalf if you do not advise MS of your choice within 90 days.

The options letters will identify the times and locations for a series of town hall meetings and webinars that will take place soon after distribution of the options letters. The meetings will be organized and conducted by MS for the Managerial Plan members. Locations across Canada will be determined based on the results of the recent survey conducted by Koskie Minsky, and will certainly include the major centers of the GTA, Montreal and Ottawa. The town hall schedule with dates, times and locations will be included in the options letters and will be posted on Koskie Minsky's website as soon as they are available. Sessions in Québec will be conducted in conjunction with the Régie des rentes du Québec, and the Montréal sessions will be offered in both English and French.

Your options letter will also specify how to attend a real-time webinar which will be offered for those who cannot make it to one of the town halls. Because of the Managerial Plan demographics and the availability of different options in different provinces due to differences in provincial pension legislation, three webinars will be held: two (one in English and one in French) will be focused on those who were last employed by Nortel in Québec and one will be focused on those who were last employed outside of Québec. The webinars will be recorded and available on the NRPC website and on Koskie Minsky's website for general viewing.

The available options are complicated and accordingly we strongly recommend that you attend either the town hall meeting or the webinar.

Please note: The town hall meetings and webinars will provide general information regarding the options available to members. You will have the opportunity to ask questions of our legal and actuarial advisors but these sessions will not provide individualized advice regarding which option is best suited to a particular member's financial circumstances. All members are encouraged to seek independent financial advice prior to making their election decision.

This wind up event only involves the funds currently available in the Managerial Pension Plan. MS has filed a claim against the Nortel estate for funding deficiencies of the Plan and once the Nortel estate is settled (this matter is currently before the courts), it is expected that any additional funds will be paid to the Plans and ultimately used to increase pension benefits in accordance with the choice that each member selected in their options statement.

This notification applies only to the Managerial Plan (Reg. 0342048). The wind up of the Negotiated Plan (Reg. 0587766) was approved in 2015 and the options selected by members of that plan have largely been implemented during June and July 2016.