

**SUMMARY ANNUAL REPORT FOR  
NORTEL NETWORKS WELFARE BENEFITS PLAN**

This is a summary of the annual report of the NORTEL NETWORKS WELFARE BENEFITS PLAN, a health, life insurance, dental, vision and long-term disability plan (Employer Identification Number 04-2486332), for the plan year 01/01/2011 through 12/31/2011. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

NORTEL NETWORKS, INC. has committed itself to pay certain claims incurred under the terms of the plan.

**Insurance Information**

The plan has insurance contracts with METROPOLITAN LIFE INSURANCE COMPANY, PRUDENTIAL INSURANCE COMPANY OF AMERICA, EYEMED VISION CARE and SUN LIFE FINANCIAL to pay certain Long-term disability, Life insurance, Vision, Temporary disability, Stop loss claims incurred under the terms of the plan. The total premiums paid for the plan year ending 12/31/2011 were \$2,631,727.

**Your Rights to Additional Information**

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. Financial information and information on payments to service providers.
2. Insurance information, including sales commissions paid by insurance carriers.

To obtain a copy of the full annual report, or any part thereof, write or call the plan administrator, at 4001 E Chapel Hill Nelson Highway, RTP, NC 27709 and phone number, 1-800-676-4636.

You also have the legally protected right to examine the annual report at the main office of the plan: 4001 E Chapel Hill Nelson Highway, RTP, NC 27709, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.