

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

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: **IN RE NORTEL NETWORKS CORP.**
: **SECURITIES LITIGATION**
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CIVIL ACTION NO. 2001-CV-1855 (RMB)

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: **THIS DOCUMENT RELATES TO**
: **ALL ACTIONS**
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**AFFIDAVIT OF DAVID A. ISAAC REGARDING EXCLUSION
REQUESTS AND OBJECTIONS RECEIVED FOR NORTEL I**

STATE OF NEW YORK)
) ss.:
COUNTY OF SUFFOLK)

DAVID A. ISAAC, being first duly sworn, deposes and says:

1. I am the Chief Executive Officer for The Garden City Group, Inc. (“GCG”). Pursuant to the Preliminary Order for Notice and Hearing in Connection with Settlement Proceedings (the “Preliminary Order”), dated June 29, 2006, GCG was appointed to act as the Claims Administrator in the settlement of the above-captioned action (the “Nortel I Settlement”), and to mail notice of the proposed Nortel I Settlement to the members of the Nortel I Class.

2. As more fully described in the Affidavit of Neil L. Zola Regarding the Mailing of the Nortel I Settlement Notice and Proof of Claim Form, sworn to on September 1, 2006, and previously filed herein, copies of the “Notice of Certifications in Canada and Proposed Settlements of Class Actions, Motions for Attorneys’ Fees and Settlement Fairness Hearing (Nortel I Notice)” (the “Nortel I Settlement Notice”) have been distributed to the Class herein pursuant to the terms of the Preliminary Order. The Nortel I Settlement Notice advised Class Members that any (i) objections to the Nortel I Settlement or any of its terms, the proposed plan

of allocation or the application for attorneys' fees and reimbursement of litigation expenses, and (ii) requests for exclusion, should be mailed to the Claims Administrator on or before September 19, 2006. To date over 1,448,000 copies of the Nortel I Settlement Notice have been distributed.

3. I submit this affidavit to provide the Courts and the relevant parties with information regarding the Claims Administrator's receipt of objections and requests for exclusion,¹ and to report, on a preliminary or interim basis, the number of Proofs of claim received to date. I have personal knowledge of the facts set forth herein and, if called as a witness, could and would testify competently thereto.

REPORT ON EXCLUSION REQUESTS RECEIVED

4. The Nortel I Settlement Notice, on page 10, informed Nortel I Class Members that if they wanted to exclude themselves from the Nortel I Action, they were required to mail a letter, postmarked no later than September 19, 2006, addressed to: Nortel I Securities Litigation Exclusions, c/o The Garden City Group, Inc., P.O. Box 9000 #6445, Merrick, NY 11566-9000. GCG has monitored all mail that has been delivered to that Post Office Box. As of the date of this affidavit, GCG has received 215 timely postmarked requests for exclusion and 2 untimely postmarked requests for exclusion. Attached hereto as Exhibit "A" is a list of these exclusions received in response to the Nortel I Settlement Notice.

5. A list of 1,638 exclusions (of which 1,583 were timely and 55 were late), in connection with the prior Notice of Pendency, was previously filed with this Court in the Affidavit of Jack R. DiGiovanni, dated July 2, 2004. Since then, GCG received additional timely and late exclusions. Attached hereto as Exhibit "B", is the list of the 1,680 (1,586 timely and 94

¹ As described in the prior Notice of Pendency of Class Actions (the "Notice of Pendency") and on page 10 of the Nortel I Settlement Notice, Class members were previously provided the opportunity to request exclusion from the Class

late) requests for exclusion received through August 10, 2004 in response to the Notice of Pendency mailing.

REPORT ON OBJECTIONS RECEIVED

6. The Nortel I Settlement Notice, on pages 12 and 13, also informed Nortel I Class Members that if they wished to object to terms of the Settlement, to the proposed Plan of Allocation and/or any of the applications for attorneys' fees and expenses in Nortel I, they were required to mail a letter, on or before September 19, 2006, to: Nortel I Securities Litigation Objections, c/o The Garden City Group, Inc., Claims Administrator, P.O. Box 9000 #6447, Merrick, NY 11566-9000. The Nortel I Notice requested that the objection be signed by the Nortel I Class Member(s) and include the name, address, and telephone number of the objecting Nortel I Class Member(s) and the dates(s), price(s), and number(s) of shares of all purchases and sales of Nortel Securities made during the Nortel I Class Period, as well as a statement of what the Nortel I Class Member is objecting to.

7. Like the Exclusion P.O. Box, GCG has monitored all mail that has been delivered to the dedicated objection Post Office Box and has forwarded copies of all objections to counsel for Nortel and to counsel for the Nortel I Class. As of the date of this Affidavit, GCG has received 35 objections. Attached hereto as Exhibit "C" is a copy of each objection received.

INTERIM REPORT ON PROOFS OF CLAIM RECEIVED

8. The Nortel I Settlement Notice, on pages 8, also informed Nortel I Class Members that they may submit Proof of Claim from to share in the proceeds of the Nortel I Settlement by mail on or before November 20, 2006. The Proof of Claim forms are required to be mailed to P.O. Box 9000 #6446 Merrick, NY 11566-9000. GCG has also monitored all mail that has been

