

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

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IN RE NORTEL NETWORKS CORP. : **CIVIL ACTION NO. 2001-CV-1855 (RMB)**
SECURITIES LITIGATION :
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THIS DOCUMENT RELATES TO :
ALL ACTIONS :
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**AFFIDAVIT OF NEIL L. ZOLA REGARDING
THE MAILING OF THE NORTEL I SETTLEMENT NOTICE
AND PROOF OF CLAIM FORM**

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

NEIL L. ZOLA, being first duly sworn, deposes and says:

1. I am the Executive Vice President and Chief Operating Officer for The Garden City Group, Inc. ("GCG"), the Claims Administrator authorized by the Court, pursuant to the Preliminary Order for Notice and Hearing in Connection with Settlement Proceedings (the "Preliminary Order"), dated June 29, 2006, in connection with the settlement of the above-captioned action (the "Nortel I Settlement"). I have personal knowledge of the facts stated herein.

INTRODUCTION

2. This Court charged GCG with the responsibility of executing the notice program, which includes (1) a direct mailing component to known record holders during the Nortel I Class Period identified previously in connection with the Notice of Pendency that was given in March 2004 or identified by Nortel's transfer agent, (2) a mailing campaign to thousands of nominee purchasers of Nortel securities during the Nortel I Class Period so that they could provide GCG

with the names and addresses of beneficial purchasers of Nortel securities, or request bulk copies to mail to their beneficiaries themselves, and (3) an extensive and ongoing supplemental notice publication program, which publication program will be described in a separate affidavit (GCG has abided by the terms of the notice publication program to date). This affidavit discusses GCG's mailing efforts and other ancillary services related to the mailing.

3. GCG was required to mail notice of the Nortel I Settlement to all persons and entities who bought Nortel common stock or call options or who sold put options (the "Nortel Securities") between October 24, 2000 and February 15, 2001 (the "Nortel I Class Period") "who could be identified with reasonable effort."

4. In order to complete a mailing of the magnitude required in this case, GCG initially needed to proceed on two tracks. First, working with plaintiffs' counsel, GCG proofed, formatted, translated from English into French, and ultimately printed hundreds of thousands of copies of the Court-approved notice documents. Second, GCG sought to identify as many potential Class Members as possible.

THE NOTICE DOCUMENTS

5. The notice packet being mailed to potential Nortel I Class Members is comprised of two documents: the "Notice of Certifications in Canada and Proposed Settlements of Class Actions, Motions for Attorneys' Fees and Settlement Fairness Hearings (Nortel I Notice)" (the "Nortel I Settlement Notice") and the "Proof of Claim and Release Form" (the "Nortel I Proof of Claim") (collectively, the "Nortel I Claim Packet"). A copy of the Nortel I Claim Packet is attached hereto as Exhibit A.

6. Pursuant to the Preliminary Order, GCG was also required to mail a French translation of the documents to all potential Nortel I Class Members located in the province of

Quebec (the “Quebec Claim Packet”). To eliminate any confusion that Quebec Class Members might have about whether to submit the French or English version of the claim form (and to minimize duplicate filings), GCG designed one custom form that was printed in English on one side and in French on the other. A copy of the Quebec Claim Packet is attached hereto as Exhibit B.

7. In addition, when GCG mailed notice of the settlements to nominee purchasers, these notice packets also included a cover letter that alerted the nominees to the fact that there are two different notices and class periods, and explained to nominee purchasers various aspects of the settlements that were relevant to such nominee purchasers (the “Nominee Cover Letter”).

8. All of the notice documents were provided to GCG in Word format as filed with the Court. Upon receipt, GCG formatted all documents and typeset them for printing. The formatting and typeset process requires that text be moved and the font and size be changed; therefore, it is crucial that all documents be carefully proofread for consistency and accuracy. We assigned an experienced team dedicated to formatting and type-setting of all notice documents to work extensively with plaintiffs’ counsel -- once formatted, all documents were then sent to plaintiffs’ counsel for review, comments, and ultimately approval. Any necessary changes were then made, and new documents were re-circulated.

9. Due to the nature of these documents, as well as the number of counsel involved and the complexity of the French translations, multiple rounds of changes were made prior to printing. The bilingual proofing of the Quebec Claim Packet, in coordination with Quebec Counsel, was particularly time-consuming.

