

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
:
:
IN RE NORTEL NETWORKS CORP.
SECURITIES LITIGATION
-----X

: **No. 01 Civ. 1855 (RMB)**

**THIS DOCUMENT RELATES TO:
ALL ACTIONS**
-----X

**COMPENDIUM OF AFFIDAVITS OR DECLARATIONS OF PLAINTIFF COUNSEL
IN SUPPORT OF LEAD PLAINTIFF'S COUNSEL'S MOTION FOR AN AWARD OF
ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES**

**MILBERG WEISS BERSHAD
& SCHULMAN LLP**
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Lead Plaintiff's Counsel

September 5, 2006

PLAINTIFF COUNSEL'S TIME

***In re Nortel Networks Corp. Securities Litigation,*
Consolidated Civil Action No.: 2001-CV-1855 (RMB)**

FIRM	HOURS	LODESTAR	TAB
MILBERG WEISS BERSHAD & SCHULMAN LLP	39,184.25	\$13,390,982.50	A
KOSKIE MINSKY LLP ¹	2,963.9	\$1,108,975.10	B
DREIER LLP	74.00	\$34,040.00	C
LOVELL STEWART HALEBIAN, LLP and WECHSLER HARWOOD LLP	1,564.27	\$670,467.00	D
ABRAHAM FRUCHTER & TWERSKY LLP	1,295.75	\$409,495.00	E
WEISS & LURIE ²	672.25	\$312,670.00	F
MURRAY, FRANK & SAILER LLP ³	656.40	\$238,223.50	G
MAGER & GOLDSTEIN ⁴	582.00	\$152,135.00	H
LAW OFFICES OF BERNARD M. GROSS PC ⁵	853.25	\$338,982.50	I
TOTALS	47,846.07	\$16,655,970.60	

¹ The attached Declaration of Murray Gold of Koskie Minsky LLP reports \$1,224,845.50 of lodestar in Canadian Dollars. The Lodestar amount reported here has been converted from Canadian dollars to U.S. dollars at a rate of Converted at \$1.00 CDN\$ to \$0.9054 US\$ as reported in The Wall Street Journal of September 2, 2006, page B2.

² The attached Affidavit of Joseph H. Weiss includes time related to services performed by Weiss & Lurie related to the Nortel I Action other than the discovery services assigned to Weiss & Lurie by Lead Counsel. The hours and lodestar included in this Fee Application are limited to the hours listed for the assigned Merits Discovery and Post-Filing Fact Investigation shown under Category D in Exhibit 1 to the Weiss Affidavit.

³ The attached Affidavit of Brian P. Murray includes time related to services performed by Murray, Frank & Sailer LLP related to the Nortel I Action other than the discovery services assigned to Murray, Frank & Sailer LLP by Lead Counsel. The hours and lodestar included in this Fee Application are limited to the hours listed for the assigned Merits Discovery and Post-Filing Fact Investigation shown under Category D in Exhibit 1 to the Murray Affidavit.

⁴ The attached Affidavit of Jayne A. Goldstein includes time related to services performed by Mager White & Goldstein, LLP related to the Nortel I Action other than the discovery services assigned to Mager White & Goldstein, LLP by Lead Counsel. The hours and lodestar included in this Fee Application are limited to the hours listed for the assigned Merits Discovery and Post-Filing Fact Investigation shown under Category D in Exhibit 1 to the Goldstein Affidavit.

⁵ The attached Affidavit of Deborah R. Gross includes time related to services performed by The Law Offices of Bernard M. Gross PC related to the Nortel I Action other than the discovery services assigned to The Law Offices of Bernard M. Gross PC by Lead Counsel. The hours and lodestar included in this Fee Application are limited to the hours listed for the assigned Merits Discovery and Post-Filing Fact Investigation shown under Category D in Exhibit 1 to the Gross Affidavit.

PLAINTIFF COUNSEL'S EXPENSES

In re Nortel Networks Corp. Securities Litigation,
Consolidated Civil Action No.: 2001-CV-1855 (RMB)

FIRM	EXPENSES	TAB
MILBERG WEISS BERSHAD & SCHULMAN LLP ⁶	\$3,616,414.66	A
KOSKIE MINSKY LLP ⁷	\$37,051.93	B
DREIER LLP ⁸	\$15,700.00	C
LOVELL STEWART HALEBIAN, LLP (\$2,605.38) and WECHSLER HARWOOD LLP (\$52,376.26)	\$54,981.64	D
ABRAHAM FRUCHTER & TWERSKY LLP	\$1,695.00	E
WEISS & LURIE	\$14,964.00	F
MURRAY, FRANK & SAILER LLP	\$2,149.63	G
MAGER & GOLDSTEIN	\$4,093.88	H
LAW OFFICES OF BERNARD M. GROSS, P.C.	\$2,990.53	I
TOTALS	\$3,750,041.27	

⁶ In connection with the successful appeal in Canada of the enforcement of Letters Rogatory against Deloitte Canada, Lead Plaintiff was awarded \$91,000 (CDN\$) for costs. On or about August 16, 2006 we received a check from Deloitte Canada which was deposited and for which we have been credited \$82,391.40 (US\$). We have deducted this amount from the total expenses incurred. Added to the expenses for Milberg Weiss is \$15,000 for the estimated Meals, Hotels & Transportation expenses for counsel to attend the Settlement Fairness Hearings in Toronto, Quebec and Vancouver.

⁷ Koskie Minsky LLP's \$40,923.27 expenses shown in the Attached Gold Declaration have been converted from Canadian dollars to U.S. dollars at a rate of \$1.00 CDN\$ to \$0.9054 US\$ as reported in The Wall Street Journal of September 2, 2006, page B2. Added to the expenses for Koskie Minsky is \$15,000 (US\$) for the estimated Meals, Hotels & Transportation expenses for counsel to attend the Settlement Fairness Hearings in New York, Toronto, Quebec and Vancouver.

⁸ Dreier LLP expenses consist of estimated expenses expected to be incurred by Daniel B. Scotti in connection with the four scheduled Settlement Fairness Hearings to be held in New York, Toronto, Quebec and Vancouver.

TAB A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

_____	x	
In re NORTEL NETWORKS CORP.	:	Civil Action No. 01-CV-1855 (RMB)
SECURITIES LITIGATION	:	
_____	:	
	:	<u>CLASS ACTION</u>
This Document Relates To:	:	
	:	
NORTEL I	:	
_____	x	

**DECLARATION OF GEORGE A. BAUER III
IN SUPPORT OF JOINT PETITION FOR ATTORNEYS' FEES AND
DISBURSEMENTS FILED ON BEHALF OF
MILBERG WEISS BERSHAD & SCHULMAN LLP**

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

I, GEORGE A. BAUER III, declare as follows:

1. I am a member of the law firm of Milberg Weiss Bershad & Schulman LLP (formerly known as Milberg Weiss Bershad Hynes & Lerach LLP). I submit this affidavit in support of my firm's application for an award of attorneys' fees in connection with services rendered in this case, as well as the reimbursement of expenses incurred by my firm in connection with this litigation. Such fees and expenses will be payable from a common fund of cash and stock obtained by my firm for the Class herein through the proposed Settlement

2. My firm acted as Lead Counsel for the court-appointed Lead Plaintiff, the Ontario Public Service Employees' Union Pension Plan Trust Fund ("OPTrust") and the Class in this certified class action. My firm preformed services with respect to all aspects of this litigation, from the pre-complaint investigation through the Settlement. The tasks undertaken by my firm

include, but are not limited to the following: (a) gathered and studied relevant publicly-available information; (b) conducted an investigation relating to plaintiffs' claims and the underlying events and transactions alleged in the initial complaint and ultimately in the Second Consolidated Amended Class Action Complaint; (c) retained experts in the areas of market efficiency and damages under U.S. securities laws; (d) successfully opposed Defendants' motion to dismiss the Complaint; (e) successfully obtained this Court's certification of a Class that includes foreign purchasers on foreign exchanges; (f) obtained, reviewed and categorized over three million pages of documents produced by Defendants and various non-parties, including work papers from Nortel's Canadian auditor; (g) retained experts in accounting and other finance issues; (h) conducted depositions of twelve parties and non-parties with knowledge of the underlying facts of the Action; (i) conducted extensive settlement negotiations in many meetings and telephone conferences over the course of nearly a year; (j) engaged and worked extensively with finance and corporate governance experts in connection with the settlement; (k) negotiated with Nortel II plaintiffs, Defendants and Canadian Plaintiffs and ultimately executed the Stipulation and Agreement of Settlement (Nortel I) dated June 20, 2006 (the "Stipulation").

3. The schedule attached hereto as Exhibit 1 is a detailed summary indicating the amount of time, by category, spent by the partners, attorneys and professional support staff of my firm who were involved in this litigation, and the lodestar calculation based on my firm's current billing rates. For personnel who are no longer employed by my firm, the lodestar calculation is based upon the billing rates for such personnel in his or her final year of employment by my firm. The schedule was prepared from contemporaneous, daily time records regularly prepared and maintained by my firm, which are available at the request of the Court. Time expended in

preparing this application for fees and reimbursement of expenses has not been included in this request.

4. The hourly rates for the partners, attorneys and professional support staff in my firm included in Exhibit 1 are the same as the regular current rates charged for their services in non-contingent matters and/or which have been accepted and approved in other securities or shareholder litigation.

5. The total number of hours expended on this litigation by my firm is 39,184.25 hours. The total lodestar for my firm is \$13,390,982.50, consisting of \$10,283,612.50 for attorneys' time and \$3,107,370.00 for professional support staff time.

6. My firm's lodestar figures are based upon the firm's billing rates, which rates do not include charges for expense items. Expense items are billed separately and such charges are not duplicated in my firm's billing rates.

7. As detailed in Exhibit 2, my firm has incurred¹ a total of \$3,616,414.66 in unreimbursed² expenses in connection with the prosecution of this litigation.

8. The expenses incurred in this action are reflected on the books and records of my firm. These books and records are prepared from expense vouchers, check records and other source materials and represent an accurate recordation of the expenses incurred.

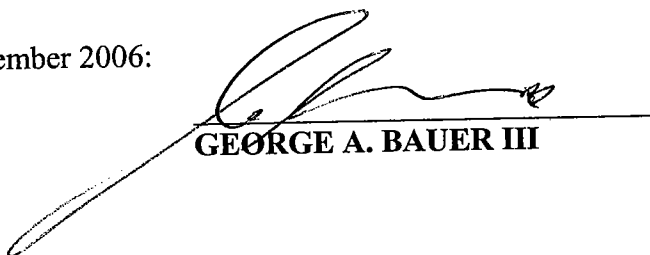
¹ We have included \$15,000 of expenses for the estimated costs of meals, hotels & transportation that will necessarily be incurred in connection with attending the upcoming Settlement Fairness Hearings in Toronto, Quebec and Vancouver

² In connection with the successful appeal in Canada of the enforcement of Letters Rogatory against Deloitte Canada, Lead Plaintiff was awarded \$91,000 (CDN\$) for costs. On or about August 16, 2006 we received a check from Deloitte Canada in payment of this award. We have deducted \$82,391.40 (US\$) from the total expenses incurred to arrive at the amount of expenses for which we request reimbursement.

9. With respect to the standing of counsel in this case, attached hereto as Exhibit 3 is a brief biography of my firm and attorneys in my firm who were principally involved in this litigation.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 7th day of September 2006:



GEORGE A. BAUER III

EXHIBIT 1

[CATEGORIZED] EXHIBIT 1

In re Nortel Networks Corp. Securities Litigation, Consolidated Civil Action No. 2001-CV-1855 (RMB)

MILBERG WEISS BERSHAD & SCHULMAN LLP

TIME REPORT -- Inception through August 31, 2006

Name	A	B	C	D	E	F	G	H	Total Hrs.	Hourly Rate	Total Lodestar
PARTNERS:											
BAUER, GEORGE A.			1.5			413.75	2.75	2.75	420.75	\$600.00	\$252,450.00
BERSHAD, DAVID J.		0.75	1.25	14.5		439.25	5.5		461.25	\$795.00	\$366,693.75
BRESSLER, ARNOLD N.		22.25		3					25.25	\$650.00	\$16,412.50
BROWER, DAVID		1	0.25	1					2.25	\$660.00	\$1,485.00
CHAN, WAI Y.		26.5		1.5					28	\$460.00	\$12,880.00
CICCARELLI, MICHELLE				2					2	\$425.00	\$850.00
DANIELS, PATRICK W.	2	4		2					8	\$400.00	\$3,200.00
DUMAIN, SANFORD P.						56.25			56.25	\$675.00	\$37,968.75
FRIEDMAN, BRAD N.		3.75		3.75					7.5	\$660.00	\$4,950.00
LERACH, WILLIAM S.		11		1					12	\$850.00	\$10,200.00
RIGRODSKY, SETH D.		230.5	1.75	25			50.75		308	\$530.00	\$163,240.00
RUDMAN, SAMUEL H.	19.5	26.75					2.5		48.75	\$395.00	\$19,256.25
SCHREIBER, SOL		13.5	34.5	222.5	10				280.5	\$650.00	\$182,325.00
SCHULMAN, STEVEN G.	1.75	191	62	127.75	0.5	138.25	100.75		622	\$725.00	\$450,950.00
SCOTTI, DANIEL B.		1377.5	490.5	3168.5	80.5	1529.5	377.75	21	7045.25	\$460.00	\$3,240,815.00
SEIDMAN, PETER		19.75							19.75	\$425.00	\$8,393.75
SHAUGHNESSY, JAMES M.				102.5					102.5	\$595.00	\$60,987.50
VINIK, JOSHUA H.		7		465.75	1	0.5			474.25	\$595.00	\$282,178.75
WEISS, LEE A.		3.75		72		11.75			87.5	\$515.00	\$45,062.50
WEISS, MELVYN I.		1.75	0.25	0.5		4			6.5	\$895.00	\$5,817.50
ATTORNEYS:											
ANASTOS, CASSANDRA				29.75					29.75	\$225.00	\$6,693.75
ANDREJKOVICS, PAUL J.			0.5	0.25		115.75		0.75	117.25	\$390.00	\$45,727.50

