



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 19th Floor
20 Queen Street West
Toronto ON M5H 3S8

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20, rue queen ouest
Toronto ON M5H 3S8

IN THE MATTER OF THE SECURITIES ACT

R.S.O. 1990, c. S.5, AS AMENDED (the “Act”)

- and -

IN THE MATTER OF

CERTAIN DIRECTORS, OFFICERS AND INSIDERS OF

NORTEL NETWORKS CORPORATION AND NORTEL NETWORKS LIMITED

(BEING THE PERSONS AND COMPANIES LISTED

IN SCHEDULE “A” HERETO)

ORDER

(Paragraph 127(1)2 and 2.1)

WHEREAS on March 27, 2006, each of the persons and companies listed in Schedule “A” (individually, a “Respondent” and collectively, the “Respondents”) was notified that the Director made an order (the “Temporary Order”) that day under paragraph 2 of subsection 127(1) and subsection 127(5) of the Act that the Respondents cease trading in any securities of Nortel Networks Corporation (“NNC”) and Nortel Networks Limited (“NNL”) for a period of 15 days from the date of Temporary Order;

AND WHEREAS the Respondents were notified that a hearing would be held to determine if it would be in the public interest to make an order under paragraph 2 and paragraph 2.1 of subsection 127(1) of the Act that the Respondents cease trading in and acquisitions of any securities of NNC and NNL permanently or for such period as is specified in the order;

AND WHEREAS the hearing was held on the 10th day of April, 2006;

AND UPON hearing the following evidence:

1. Each of NNC and NNL is incorporated under the *Canada Business Corporations Act* and is a reporting issuer in the Province of Ontario.
2. Each of the Respondents is, or was, at some time since the end of the period covered by the last financial statements filed by NNC and NNL, namely September 30, 2005, a director, officer or insider of NNC or NNL and during that time had, or may have had, in the ordinary course access to material information with respect to NNC and NNL that has not been generally disclosed.
3. On March 10, 2006, NNC issued and subsequently filed on SEDAR a press release disclosing that each of NNC and NNL will restate their financial results for 2003 and 2004 and for the first nine months of 2005, and will have adjustments for periods prior to 2003 primarily due to revenue incorrectly recognized in prior periods that should have been deferred to future periods. The press release further indicated that pending the issuance by NNC's and NNL's independent auditors of its audit opinions in respect of NNC's and NNL's restated financial statements, the previously filed financial statements of NNC and NNL for such periods, including the corresponding interim financial statements, and the auditors' reports on the respective annual financial statements should not be relied upon.
4. Each of NNC and NNL further failed to file the following annual continuous disclosure documents for the year ended December 31, 2005 by the prescribed deadline under Ontario securities law, namely March 31, 2006:
 - (i) annual report on Form 10-K for the year ended December 31, 2005 (the "Form 10-K") which includes: (A) audited annual consolidated financial statements for such period, prepared in accordance with United States generally accepted accounting principles ("GAAP"), together with the Canadian GAAP reconciliation and other information required by Part 4 of National Instrument 52-107; and (B) management's discussion and analysis ("MD&A") for such period prepared in accordance with Item 303 of Regulation S-K under the United States *Securities Exchange Act of 1934*, as amended; and
 - (ii) supplemental Canadian GAAP annual MD&A for such period (together with the Form 10-K, the "2005 Disclosure Documents").
5. As of the date of this order, NNC and NNL have not restated the financial results for such prior periods, and have not filed the 2005 Disclosure Documents.

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this order;

IT IS ORDERED under paragraph 2 and paragraph 2.1 of subsection 127(1) of the Act that all trading in and acquisitions of securities of NNC and NNL, whether direct or indirect, by any of the Respondents cease until two business days following the receipt by the Commission of all filings NNC and NNL are required to make pursuant to Ontario securities laws.

DATED at Toronto, this 10th day of April, 2006.

Ontario Securities Commission

“Susan Wolburgh Jenah”

Vice-Chair
Ontario Securities Commission

“Wendell S. Wigle, Q.C.”

Commissioner
Ontario Securities Commission

Schedule "A"

Abreu, Rodrigo Modesto de
Ashwood, Christopher Kent
Auriol, Helene Marie Jacqueline Madeleine
Barnes, Debbie Lynn
Barrios, Alvio Silvio
Bartzokas, Robert John
Bejar, Martha Helena
Bennett, Jalynn Hamilton
Best, Gregory John
Bhatnagar, Atul
Biard, James Anthony
Bifield, Allan
Birt, Henry Charles
Bischoff, Dr., Manfred
Biston, Alain Mathieu Pierre
Bolouri, Chahram
Bourland, Deborah Ann
Brown, Robert Ellis
Byrd, Richard Andrew
Cahill, John Francis
Carbone, Peter John
Carey, Dennis James
Casey, Sherleen Pope
Cervantes, Victor Manuel
Chan, Man Fat Albert
Chan, Sidney Hung Cheong
Chico, Juan
Chronowic, Peter John
Cioffi, Anthony
Cleghorn, John Edward
Clement, Michel
Collins, Timothy
Collins, Malcolm Kevin
Colantonio, Mary Ellen
Connelly McGilley, Tracy Sarah Jane
Connor, Daniel
Covey, Niel Arthur
Cozyn, Martin Albert
Cross, Mary McGehee
Cuesta, George Julio
Currie, Peter William
Dadyburjor, Khush Sam
Dailey, Frank (Chip)
DaSilva, Joseph
Davies, Gordon Allan
Debon, Pascal
Decardenas, Alfredo Tomas
Del Villar, Clara
Di Giuseppe, Pierfrancesco
Dodd, Randy Kevin
Donoghue, Adrian Joseph
Donovan, William John

Doolittle, John Marshall
Downing, David
Drinkwater, David William
Durling, William
Durow, Wesley
Eason, Jeffrey William
Edholm, Philip
Edwards, Darryl Alexander
Ellis, William
Erkel, Enis
Farmer, Cecil Gregory
Flanagan, Joseph
Fleck, Shawn
Frisch, Mark Douglas
Gibson, David Fraser
Gigliotti, Thomas Andrew
Glofcheskie, Terry
Graham, Harold Everett
Grelck, Kenneth George
Hackney, Jr., Jesse Joel
Haydon, John Bradley
Hea, Jacqueline
Hegemann, Holger
Hempel, Karen
Higginbotham, Ernest Ryan
Hinz, Lorne (Conrad)
Hitchcock, Albert Roger
Hoadley, John Philip
Holmes, Robert Devon
Hopkins, Curtis Daniel (Curt)
House, Paul Richard
Hudson, David Victor
Hudson, Vivian Catharine
Hunt, Jr., James Baxter
Ingram, Robert Alexander
Joannou, Dion Constandino
Jones, Stephen Glenn
Kales, Michael
Karr, Paul Wesley
Kaye, Douglas
Kelly, Peter John Anthony
Khadbai, Abdul Aziz
Khawar, Abdul Majeed
King, Elena Soldera
Kokos, Christopher Anthony
Krebs, Laurie Ann
Kua, Jolia Kwai Fun
Lang, Kevin Edward
Langlois, Michael John
Lanier, Gayle La'Verne
LaSalle, William Joseph
Lechner, Kimberly Susan
Lee, Anthony Peter
Lefevre, Kalli
Lester, Monica Lynne
Lin, Yuan-Hao

Lloyd, Geoffrey James
Lo, Kai Yuen Edmond
Lockhart, Lewis Karl
Lowe, Richard Stephen
Lowe, Tonya Lee
Lupu, Sorin
MacKinnon, Pierre David
MacNaughton, John Alan
Madill, William Robertson
Malboeuf, Diane
Manley, John Paul
Mao, Robert Yu Lang
Marcellus, Kevin
Mathers, Lorrie
McCorkle, Michael Walton
McCormick, Richard David
McFeely, Scott Alexander
McGregor, Douglas James
McIver, Kenneth Robert Lloyd
McKenna, Don
Megura, Walter
Milan, Norberto
Mondor, Dan
Morfe, Jr., Claudio
Morin, Philippe
Morreale, Jr., Vincent
Murash, Barry
Murashige, David Hilliker
Murphy, Peter Michael
Myers, Jeffrey
Newcombe, Peter James
Osborne, Ronald Walter
Owens, William Arthur
Paige, Michael
Pangia, Michael Anthony
Pearce, Harry Jonathan
Pecot, Kenneth Wesley
Pierson, Alexander John Briens
Pillow, Timothy
Praysner, Patrick Eugene
Pritchard, Alan
Pugh, Gareth Alan David
Pusey, Stephen Charles
Quinn, Gordon William
Rea, Jeffrey Leonard
Reid, Robert Edwin
Renken, David Allen
Riccitelli, Robert
Richardson, Ralph Edward Clenton
Riedel, George Andrew
Saffell, Jr., Charles Raymond
Searles, Steven Graham
Seeto, Richard
Shepard, Susan Engelke
Sicotte, Luc Paul
Slattery, Stephen Francis

Sledge, Karen Elizabeth
Steffens, Thomas James
Stevens, Mark William
Stevenson, Katharine Berghuis
Stoddard, Alan Grant
Stout, Allen Keith
Swanson, Roxann Lee
Taylor, Kevin
Terry III, George William
Tessy, Leith
Townley, Jeffrey
Tsui, Stephen (Shing Tat)
Valia, Ashoka
Vazquez Oria, Pablo Abel
Ventresca, Anna
Wang, Chuan Shin Tony
Watkins, Timothy Ian
Wells, Mary Kay
Whitton, Mark James Christopher
Williams, Timothy Louis
Wolff, Douglas
Wu, Jang-Shang (Jackson)
Zafirovski, Mike Svetozar