

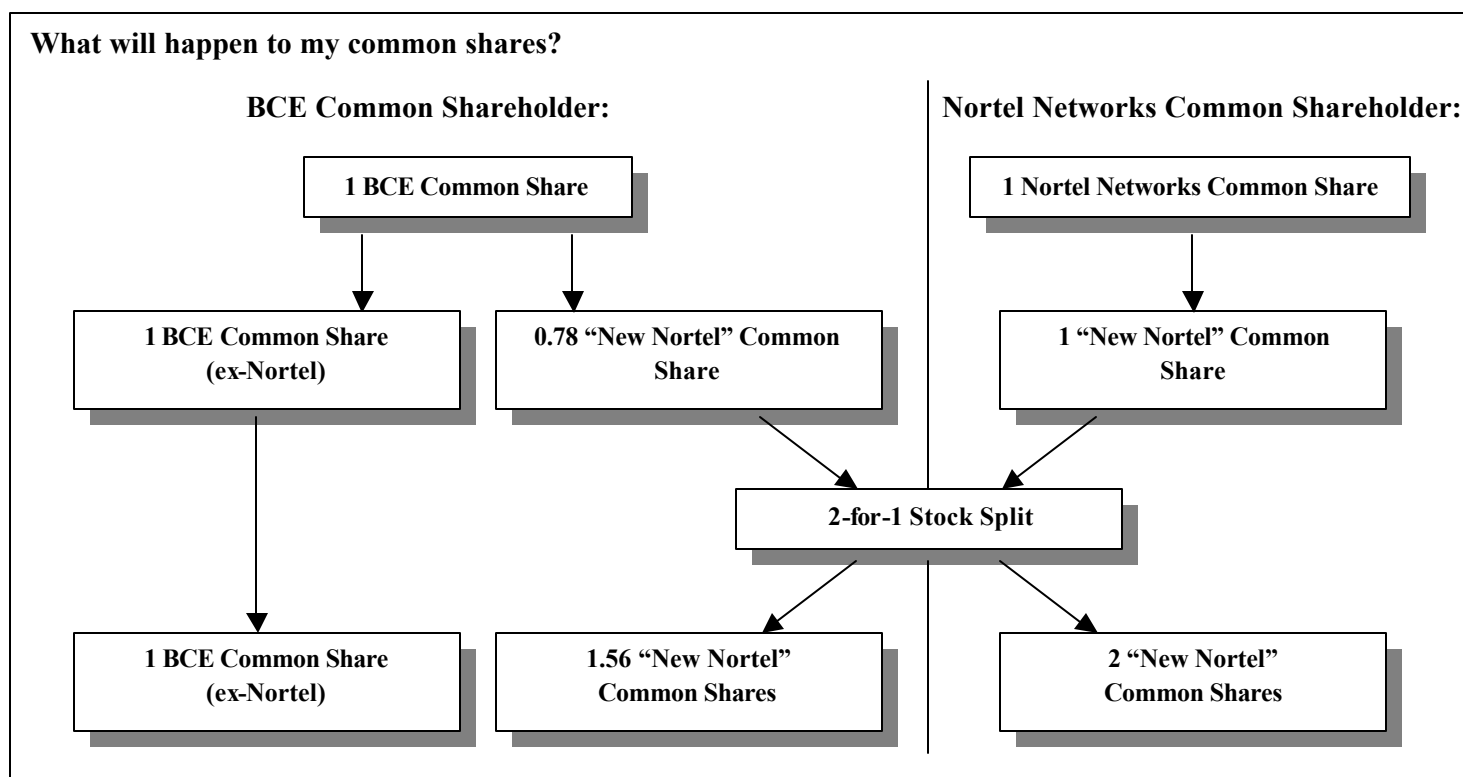
Proposed BCE / Nortel Plan of Arrangement

Fact Sheet

What are the steps in the Plan of Arrangement?

- The arrangement is to be accomplished through a reorganization of BCE and the exchange of all Nortel Networks common shares for common shares of a new corporation (“New Nortel”). New Nortel, in turn, will own all of the common shares of Nortel Networks.
- BCE common shareholders will have their BCE common shares divided into two classes of shares:
 - one class representing the value of BCE’s investment in Nortel Networks, which will ultimately be transferred to New Nortel and in exchange for which BCE common shareholders will receive approximately 0.78 of a New Nortel common share for each BCE common share held;
 - another class representing the net value of all of BCE’s non-Nortel Networks assets and the value of the Nortel Networks investment retained by BCE.
- Nortel Networks common shareholders (other than BCE and its affiliates) will exchange their existing Nortel Networks common shares on a share-for-share basis for New Nortel common shares.
- New Nortel’s name will be changed to Nortel Networks Corporation (in French Corporation Nortel Networks) and Nortel Networks’ name will be changed to Nortel Networks Limited (in French Corporation Nortel Networks Limitée).
- Finally, New Nortel will split its stock on a two-for-one basis – see Key Dates below.

What will happen to my common shares?



Approvals Required

Certain regulatory orders and approvals must be obtained prior to the completion of the Plan of Arrangement, including:

BCE board of directors	– Completed
Nortel Networks board of directors	– Completed
BCE shareholders	– Meeting April 26
Nortel Networks shareholders	– Meeting April 27
Superior Court of Justice of Ontario	– Scheduled April 28

Key Dates

Anticipated key dates assuming all necessary orders and approvals obtained:

April 26	– BCE shareholders’ meeting
April 27	– Nortel Networks shareholders’ meeting
May 1	– Plan of Arrangement becomes effective
May 3	– TSE 1 st day trading – New Nortel (post-split) (TSE:NT) / BCE (ex-Nortel) (TSE:BCE) for regular 3 day settlement
May 5	– Date of record for determining BCE common shareholders who will receive New Nortel share certificates
May 5	– Date of record for determining New Nortel common shareholders who will receive New Nortel share certificates representing the additional common shares created by the two-for-one stock split
May 5	– Close of business – 2-for-1 stock split of New Nortel becomes effective
May 9	– NYSE 1 st day trading – New Nortel (post-split) (NYSE:NT) / BCE (ex-Nortel) (NYSE:BCE) for regular 3 day settlement