Frequently Asked Questions

Settlement Questions

1. **Question:** Why might I not have received a settlement payment in early July 2013?

   **Answer:** You are required to contact Disability Insurance Specialists, LLC (DIS) prior to receiving any settlement payments so they can verify your identity and contact information. If you have not contacted DIS, call them at 1-800-722-9680. DIS’s office hours are from 8:30 a.m. to 4:30 p.m., Monday through Friday, EDT.

2. **Question:** Who do I contact if I did not receive a settlement payment in early July 2013?

   **Answer:** If you have already verified your identity and contact information with DIS but still did not receive a settlement payment in early July 2013, call the disbursing agent, RustOmni, at (818) 906-8300.

3. **Question:** How were the federal withholding taxes calculated?

   **Answer:** Federal withholding taxes were calculated based on the information you provided in your W-4. If you did not provide a W-4 form prior to the June 17, 2013 deadline, 25% was withheld from your distribution for taxes from the July 2013 payment.

4. **Question:** I missed the June 17, 2013 deadline to submit a W-4 form. Can I submit a W-4 form now?

   **Answer:** No. The deadline has passed and the payments have been processed.

5. **Question:** I believe that the federal tax withholdings were too high for me. Can I ever receive a refund of the tax withholdings?

   **Answer:** It depends. The actual amount of taxes you may owe depends on a variety of factors including, but not limited to, your and your spouse’s taxable income, tax deductions, etc. If too much tax withholdings were taken from your distribution payment, you may be entitled to a tax refund when you file your 2013 tax return. If too little tax withholdings were taken from your distribution payment, you may owe taxes when you file your 2013 tax return. The Trust’s professionals cannot provide tax advice. You are encouraged and advised to consult with your personal tax advisor on these matters.

6. **Question:** Were state and local taxes withheld?

   **Answer:** No. State and local taxes were not withheld. You are encouraged and advised to consult with your personal tax advisor on these matters.

7. **Question:** Why were expenses allocated to my settlement amount?

   **Answer:** The Court approved the distribution motion and determined that the expenses were appropriate given the potential tax savings. The Trust has and will incur expenses to effectuate distributions of the settlement. In addition, the Trust is seeking a private letter ruling from the
IRS to verify, among other things, that the disbursements are being made though the VEBA and
disability plan are not subject to FICA taxes. Without the private letter ruling, the IRS has
indicated that it would treat your settlement disbursements as non-qualified deferred income and
would be subject to FICA taxes. In addition, the Trust is coordinating with the PBGC to clarify
early retirement and the effect of the settlement on early access to your pension.

8. **Question:** Why are FICA taxes being reserved?

**Answer:** The IRS, at the branch chief level, has indicated that without the Disability Plan and
VEBA, settlement amounts would be treated as non-qualified deferred compensation and would
be subject to FICA and not eligible for any deferred payments. The FICA reserve has not been
paid to the IRS. It will be held until such time as we have a decision on the private letter
ruling. Then it will either be sent to the IRS or it will be sent back to you. The employer and
employee portions of the Social Security plus the Medicare tax are both 7.65% for a total of
15.3%. For amounts over $113,700 paid in 2013, only the combined Medicare tax of 2.9%
applies. The FICA amounts can be found in IRS Publication 5, pages 1 and 2.

9. **Question:** When will private letter ruling be decided?

**Answer:** The Trust is trying to expedite the private letter ruling process but the process is
controlled by the IRS and the current fiscal condition of the government has caused delays in all
departments including the IRS making determinations on private letter rulings.

10. **Question:** Are my unused VEBA LTD Plan distributions available to my spouse or
qualified dependants if I pass?

**Answer:** Any unused VEBA LTD Plan distributions will be reallocated among the remaining
plan participants. There is no death benefit for the spouse or qualified dependants of the
deceased participant. This is consistent with the prior income continuation benefits LTDers
received from Nortel and is necessary to avoid FICA Taxes

11. **Question:** What happen to my pension and who do I speak to?

**Answer:** If you were entitled to a pension, it was not affected by the settlement. However, the
Debtors’ pension plan was taken over by the PBGC. You can contact the PBGC at 1-800-400-
7242, Monday-Friday, 8:00 a.m.-7:00 p.m. ET or at [http://www.pbgc.gov/](http://www.pbgc.gov/). The Trust is
coordinating with the PBGC to clarify early retirement and the effect of the settlement on early
access to your pension.

12. **Question:** Where do I get a Certificate of Termination of Benefits?

**Answer:** Call Nortel’s HR Shared Services at (919) 905-9351 or (800) 676-4636.

**HRA Questions**

13. **Question:** How do I register with WageWorks to access my HRA?
To register, go to www.wageworks.com and click “Register with WageWorks now.” You will be asked to confirm your contact information and create a username and password.

14. **Question:** Who do I contact regarding the total amount of monies to be allocated to my Health Reimbursement Account (HRA)?

**Answer:** This information was provided in various letters you received from Elliott Greenleaf including letters you received on June 11, 2013 and June 25, 203. You can also find this information by calling WageWorks Customer Support Call Center at 1-877-924-3967 (Monday – Friday from 8 a.m. – 8 p.m. Eastern time) going to the WageWorks website at: http://www.wageworks.com/employee.

15. **Question:** Who do I contact regarding obtaining HRA forms?

**Answer:** Call WageWorks Customer Support Call Center at 1-877-924-3967 (Monday – Friday from 8 a.m. – 8 p.m. Eastern time) or go to the WageWorks website at: http://www.wageworks.com/employee.

16. **Question:** I paid out of pocket for a valid health expense, how do I get reimbursed?

**Answer:** Call WageWorks Customer Support Call Center at 1-877-924-3967 (Monday – Friday from 8 a.m. – 8 p.m. Eastern time) or go to the WageWorks website at: http://www.wageworks.com/employee.

17. **Question:** Who do I contact to find out the status of my health expense reimbursement request?

**Answer:** Call WageWorks Customer Support Call Center at 1-877-924-3967 (Monday – Friday from 8 a.m. – 8 p.m. Eastern time) or go to the WageWorks website at: http://www.wageworks.com/employee.

18. **Question:** Who do I contact to determine if I have a valid health expense item eligible to be reimbursed?

**Answer:** You can refer to the information package you received from WageWorks on June 11, 2013 or you can call WageWorks Customer Support Call Center at 1-877-924-3967 (Monday – Friday from 8 a.m. – 8 p.m. Eastern time) or go to the Wage Works website at: http://www.wageworks.com/employee.

19. **Question:** Who do I contact to determine the remaining balance in my HRA?

**Answer:** Call WageWorks Customer Support Call Center at 1-877-924-3967 (Monday – Friday from 8 a.m. – 8 p.m. Eastern time) or go to the WageWorks website at: http://www.wageworks.com/employee.

20. **Question:** Who do I contact if I disagree with WageWorks and need to appeal my health reimbursement claim?
Answer: Call WageWorks Customer Support Call Center at 1-877-924-3967 (Monday – Friday from 8 a.m. – 8 p.m. Eastern time) or go to the WageWorks website at: http://www.wageworks.com/employee.

21. Question: Can others use my HRA if I pass away?

Answer: Any unused HRA funds remaining in the participant’s account when a participant passes can be used to reimburse qualified medical expenses for the spouse or qualified dependents of the deceased participant. If no spouse or dependents survive the participant, any amounts remaining in the participant’s account will be reallocated among the remaining plan participants.

22. Question: What does WageWorks charge to administer the HRA?

Answer: Your individual HRA account monthly fee will be $3.50 for the life of the account and will be deducted from the settlement funds allocated to you in the HRA account on a monthly basis.

Disability Plan Questions

23. Question: Why do I need to contact DIS prior to receiving a distribution payment?

Answer: DIS needs to verify your identity and contact information. If DIS is unable to verify your identity and contact information, your payment may not be released. DIS can be contacted at: Disability Insurance Specialists, LLC, P.O. Box 25, Bloomfield, CT 06002; Tel 1-800-722-9680; Fax 1-860-769-6981. DIS’s office hours are from 8:30 a.m. to 4:30 p.m., Monday through Friday, EDT. Each LTD participant was assigned a claim specialist for any questions you may have regarding the plan and your claim. Please refer to the letter you received from DIS to identify your claim specialist.

24. Question: I have verified my identity and contact information with DIS, what other information will they need?

Answer: On or before July 31, 2013, you need to complete and sign the four forms enclosed with the June 11, 2013 letter from DIS (the HIPAA Authorization; the Claimant Statement; the Attending Physician’s Statement; and the 4506 Form). DIS also needs a complete copy of your most recent individual and business tax returns including all schedules and attachments, and any other claim documentation for which you have a copy. You may include any information that you think will assist DIS in evaluating your claim for benefits including your disability claim file handled by Prudential, narratives that summarize your condition, or any medical information such as discharge summaries. The four forms and the additional information can be mailed, faxed or emailed to DIS. DIS can be contacted at: Disability Insurance Specialists, LLC, P.O. Box 25, Bloomfield, CT 06002; Tel 1-800-722-9680; Fax 1-860-769-6981. DIS’s office hours are from 8:30 a.m. to 4:30 p.m., Monday through Friday, EDT. Each LTD participant was assigned a claim specialist for any questions you may have regarding the plan and your claim. Please refer to the letter you received from DIS to identify your claim specialist. Please contact your disability specialist about the best way to provide DIS with your information.
**25. Question:** What is a 4506 Form and where can I obtain it? Why does DIS need my tax return? Can I redact my spouse's information from the tax return?

**Answer:** Call DIS at 1-800-722-9680. DIS’s office hours are from 8:30 a.m. to 4:30 p.m., Monday through Friday, EDT. Each LTD participant was assigned a claim specialist for any questions you may have regarding the plan and your claim. Please refer to the letter you received from DIS to identify your claim specialist.

**26. Question:** How do I ask additional questions?

Answer: Please direct all questions through the “Submit an Inquiry” tab on the main page of the website. Answers will be provided on future conference calls or emailed to the individual making the inquiry. Please be sure to read all of the documentation you have received.