

CHECKLIST OF KEY QUESTIONS TO ASK ABOUT A NORTEL ENVIRONMENT WHEN CONSIDERING A CONTINGENCY PLAN

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- 1. GENERAL CONSIDERATIONS -
In the contingency plan has the organization considered:
 - a. Minimizing economic loss? _____
 - b. Reducing disruptions to operations? _____
 - c. Ensuring organizational stability? _____
 - d. Providing an orderly recovery? _____
 - e. Minimize insurance premiums? _____
 - f. Protecting the assets of the organization? _____
 - g. Allaying any concerns of personnel and customers? _____
 - h. Minimizing any decision-making? _____
 - i. Minimizing the firm's legal liability? _____

- 2. COMPANY AND ORGANIZATION RISK -
Has the organization determined the level of risk -
 - a. If Nortel is Liquidated (knowing the following) _____
 - b. If Nortel were purchased by a third party organization _____

- 3. NORTEL INVENTORY –
 - a. Does the organization have an inventory available of the current Telephony environment, including all Nortel and non-Nortel equipment? _____
 - b. Is there a crash kit available (or required)? _____
 - c. What is the current cabling in place for a converged voice and data environment? _____
 - d. Are there network diagrams available? _____
 - e. Is there any critical Nortel network equipment the organization could be critically dependent on? _____
 - f. Does the service provider(s) utilize Nortel central office equipment? Impact on the environment? _____

- 4. STATE OF CURRENT NORTEL EQUIPMENT –
 - a. Manufacturer discontinuance of any systems, components? _____
 - b. Any systems already IP-enabled? IP-capable? _____
 - c. Are any of the Nortel systems in place at 7 years or older (higher risk)? _____

- 5. RISK OF A MULTI-DAY OUTAGE –
What is the organization's risk of a significant outage based on:
 - a. System age? _____
 - b. Capacity? _____
 - c. Manufacturer discontinuance? _____
 - d. Spare parts and availability locally of critical components? _____
 - e. Technician knowledge? _____



- 6. ALIGNMENT WITH CORPORATE AND ORGANIZATIONAL GOALS –
 - a. How does Nortel's Chapter 11 status impact the organization's corporate plans or strategies? _____

- 7. MANAGING COSTS DOWN -
 - a. What short-term projects can result in reduced costs?
 - i. Telecom Audit? _____
 - ii. Telecom Optimization? _____
 - iii. Network Procurement? _____
 - iv. Managed Services? _____

- 8. INDEPENDENT RESOURCES –
 - a. Can independent industry experts help with the development and execution of the contingency plan? _____
 - b. Does the organization need independent resources to:
 - i. Inventory equipment and all necessary components? _____
 - ii. Identify all VOIP replacement components necessary? _____
 - iii. Perform a Telecom audit and Telecom optimization to reduce ongoing costs? _____
 - iv. Perform a network procurement and Network RFP to reduce ongoing telecom costs? _____
 - v. Request For Information/RFI and budget development? _____
 - vi. Short and long term strategy for keep or replacement? _____

- 9. REQUEST FOR INFORMATION (RFI) –
 - a. Has an RFI for replacement equipment been developed and executed for Budgetary Purposes? _____
 - b. Have all possible replacement components been included? _____

- 10. BUDGET AND SAVINGS IMPACT, FACILITATING FUNDING –
 - a. Has a budget been developed for a possible system replacement? _____
 - b. Can savings be leveraged from a network audit and optimization towards a replacement model? _____

- 11. CONTINGENCY PLAN -
 - Has a Contingency Plan been developed – Plan A and Plan B?
 - a. Plan A - Continue using Nortel and current infrastructure (include risk factor over time) _____
 - b. Plan B - Consider replacement of the Nortel infrastructure and funding for such (include cost and savings factors) _____



12. PROJECT PLAN -

- a. Has a project plan been developed? _____
 - b. Have all critical elements for a converged network been included? _____
 - c. Has the overall timeline for an overall system replacement been included (larger environments may need 24-48 months)? _____
 - d. Has Nortel's possible exit been taken into account:
 - i. 12-18-months beyond any liquidation announcement? _____
 - ii. 24-30 months beyond purchase by a 3rd party? _____
 - iii. Note near term incentive programs short term after sale (6-12 months)
 - iv. Note next-gen incentives or migration programs to be announced in 18-24 months
- _____

NOTE: The above checklist was developed by Leaden Associates, Inc. For additional information, please call Mr. Stephen Leaden at (845) 496-6677, or e-mail him at sleaden@leaden.com.