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MEDIA RELEASE
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Mitel Networks Class Action Certified

OTTAWA, May 19, 2004—The action against Mitel Networks Corporation has been certified by the Ontario Superior Court, and can proceed as a class action under the *Class Proceedings Act*.

The class action arises from employee terminations from April 30 to October 15, 2003. The court agreed that the class proceeding is the preferable procedure, and that there are sufficient common issues amongst the Plaintiffs to permit the certification of the action.

The damages sought are due to the company's failure to provide reasonable notice of termination of employment to a total of 96 employees, and focuses on ensuring that employees are fairly compensated for their loss of employment. The claim also is seeking damages arising from Mitel's decision (on June 17, 2002) to unilaterally reduce employee salaries by ten percent as well as a decision (on December 15, 2001) to decrease its contributions to a group pension plan.

The class does not include persons who have been terminated for cause, executed a release in favour of Mitel, and those who were employed by Mitel on the basis of a fixed term contract.

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MITEL CLASS ACTION - Additional information

What is a class action?

In Ontario it is possible, by way of a class proceeding for one or more individuals, to be named as representatives of all other people who have a similar claim. Without class proceedings, economic barriers often make individual access to the justice system difficult. Barriers can occur when individuals are not able to pursue a claim by means of litigation because of the relatively small amount of their claim and/or the high costs of litigation. For many, it is simply not worth it. With a class proceeding, access is increased by sharing the costs of a single action, rather than having each party bear the cost of their individual claim.

What is certification?

An action may not move forward as a class proceeding without the approval of the court. The Ontario statute uses the term "certification" to refer to the court's approval of a proceeding to move forward as a "class proceeding." To be certified means that the court has decided that the pleadings disclose a cause of action, there is an identifiable class of 2 or more persons, the claims raise common issues, the representative plaintiff would fairly represent the class, and that a class action is the preferable procedure to resolve the common issues.

How many people are involved at this point?

At this point, the class encompasses 96 people.

How much are the damages being sought?

Still to be determined, but they may be considerable given the size of the class.