

This pricing supplement together with the prospectus to which it relates, as amended or supplemented, and each document deemed to be incorporated by reference into the prospectus, as amended or supplemented, constitutes a public offering of these securities only in the jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities regulatory authority in Canada has expressed an opinion about these securities and it is an offense to claim otherwise.

These securities have not been and will not be registered under the *United States Securities Act of 1933* and may not be offered, sold or delivered within the United States of America or to U.S. persons.

PRICING SUPPLEMENT NO. 3 DATED MAY 16, 2011
(TO SHORT FORM BASE SHELF PROSPECTUS AND PROSPECTUS SUPPLEMENT,
DATED SEPTEMBER 3, 2009 AND SEPTEMBER 4, 2009, RESPECTIVELY)



Bell Canada

\$500,000,000

MTN Debentures, Series M-23, Due May 19, 2016

(UNSECURED)

\$500,000,000

MTN Debentures, Series M-24, Due May 19, 2021

(UNSECURED)

**Unconditionally guaranteed as to payment of principal,
interest and other payment obligations by BCE Inc.**

AGENTS

TD Securities Inc.

**BMO Nesbitt Burns
Inc.**

**CIBC World
Markets Inc.**

**Desjardins
Securities Inc.**

**Merrill Lynch
Canada Inc.**

**National Bank
Financial Inc.**

**RBC Dominion
Securities Inc.**

Scotia Capital Inc.

**Casgrain &
Company Limited**

TERMS OF ISSUE — SERIES M-23 DEBENTURES

Designation:	3.65% Debentures, Series M-23, Due May 19, 2016	Redemption:	See “Redemption”
Principal Amount:	\$500,000,000	Repurchase Upon Change of Control Triggering Event:	See “Repurchase Upon Change of Control Triggering Event ”
Date of Issue:	May 19, 2011	Interest Rate:	3.65% per annum
Maturity Date:	May 19, 2016	Interest Payment Dates:	November 19 and May 19
Price to the Public:	99.928%	Initial Interest Payment Date:	November 19, 2011
Agents’ Commission:	0.35%	Form of Issuance:	Global debenture, in book-entry only form, registered in the name of CDS & Co.
Net Proceeds to Bell Canada:	\$497,890,000	ISIN Number:	CA 07813ZAZ77

TERMS OF ISSUE — SERIES M-24 DEBENTURES

Designation:	4.95% Debentures, Series M-24, Due May 19, 2021	Redemption:	See “Redemption”
Principal Amount:	\$500,000,000	Repurchase Upon Change of Control Triggering Event:	See “Repurchase Upon Change of Control Triggering Event”
Date of Issue:	May 19, 2011	Interest Rate:	4.95% per annum
Maturity Date:	May 19, 2021	Interest Payment Dates:	November 19 and May 19
Price to the Public:	99.634%	Initial Interest Payment Date:	November 19, 2011
Agents’ Commission:	0.40%	Form of Issuance:	Global debenture, in book-entry only form, registered in the name of CDS & Co.
Net Proceeds to Bell Canada:	\$496,170,000	ISIN Number:	CA 07813ZBA18

REDEMPTION*Series M-23 Debentures*

Bell Canada shall be entitled, at its option, to redeem the 3.65% Debentures, Series M-23, due May 19, 2016 (“Series M-23 Debentures”) in whole at any time or in part from time to time, by giving prior notice of not less than 30 days and not more than 60 days to the holders thereof, at the greater of the “Canada Yield Price” (as defined in the next sentence) and par, together in each case with accrued and unpaid interest up to but excluding the date fixed for redemption. “Canada Yield Price” shall mean a price equal to the price of the Series M-23 Debentures calculated on the banking day preceding the day on which the redemption is authorized by Bell Canada to provide a yield from the date fixed for redemption to the maturity date of the Series M-23 Debentures to be redeemed equal to the “Government of Canada Yield” (as defined in the next sentence) plus 0.29%. “Government of Canada Yield” shall mean the yield from the date fixed for redemption to the maturity date of the Series M-23 Debentures to be redeemed, assuming semi-annual

compounding, which an issue of non-callable Government of Canada bonds would carry on the remaining term to the maturity date of the Series M-23 Debentures to be redeemed. The “Government of Canada Yield” in the case of redemption of the Series M-23 Debentures shall be the average of the yields provided by two registered Canadian investment dealers selected by the Trustee and approved by Bell Canada. In case of partial redemption, the Series M-23 Debentures shall be redeemed on a *pro rata* basis.

Series M-24 Debentures

Bell Canada shall be entitled, at its option, to redeem the 4.95% Debentures, Series M-24, due May 19, 2021 (“Series M-24 Debentures”) in whole at any time or in part from time to time, by giving prior notice of not less than 30 days and not more than 60 days to the holders thereof, at the greater of the “Canada Yield Price” (as defined in the next sentence) and par, together in each case with accrued and unpaid interest up to but excluding the date fixed for redemption. “Canada Yield Price” shall mean a price equal to the price of the Series M-24 Debentures calculated on the banking day preceding the day on which the redemption is authorized by Bell Canada to provide a yield from the date fixed for redemption to the maturity date of the Series M-24 Debentures to be redeemed equal to the “Government of Canada Yield” (as defined in the next sentence) plus 0.45%. “Government of Canada Yield” shall mean the yield from the date fixed for redemption to the maturity date of the Series M-24 Debentures to be redeemed, assuming semi-annual compounding, which an issue of non-callable Government of Canada bonds would carry on the remaining term to the maturity date of the Series M-24 Debentures to be redeemed. The “Government of Canada Yield” in the case of redemption of the Series M-24 Debentures shall be the average of the yields provided by two registered Canadian investment dealers selected by the Trustee and approved by Bell Canada. In case of partial redemption, the Series M-24 Debentures shall be redeemed on a *pro rata* basis.

REPURCHASE UPON CHANGE OF CONTROL TRIGGERING EVENT

If a Change of Control Triggering Event (as defined below) occurs with respect to either the Series M-23 Debentures or the Series M-24 Debentures or with respect to both series, unless Bell Canada has exercised its optional right to redeem all of the Series M-23 Debentures and/or the Series M-24 Debentures as described under “Redemption” above, Bell Canada will be required to make an offer to each holder of either the Series M-23 Debentures or Series M-24 Debentures or of both series, as the case may be, to repurchase all or, at the option of the holder thereof, any part (equal to \$1,000 or an integral multiple thereof) of the Series M-23 Debentures and/or Series M-24 Debentures, as the case may be, pursuant to the offer described below (the “Change of Control Offer”). The determination as to whether a Change of Control Triggering Event occurred and a Change of Control Offer shall be made will be effected on a per series basis. In the Change of Control Offer, Bell Canada will be required to offer payment in cash equal to 101% of the outstanding principal amount of the Series M-23 Debentures and/or the Series M-24 Debentures, as the case may be, together with accrued and unpaid interest on the Series M-23 Debentures and/or the Series M-24 Debentures, as the case may be, repurchased up to but excluding the date of purchase (the “Change of Control Payment”).

Within 30 days following any Change of Control Triggering Event, Bell Canada will be required to give written notice to each holder of Series M-23 Debentures and/or Series M-24 Debentures, as the case may be, with a copy to the Trustee, describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase the Series M-23 Debentures and/or the Series M-24 Debentures, as the case may be, on the date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is given (the “Change of Control Payment Date”), pursuant to the procedure described herein and in such notice. Bell Canada must comply with the requirements of applicable securities laws and regulations in connection with the repurchase of the Series M-23 Debentures and/or the Series M-24 Debentures, as applicable, as a result of a Change of Control Triggering Event. To the extent that the provisions of any such applicable securities laws and regulations conflict with the Change of Control (as defined below) provisions, Bell Canada will be required to comply with such laws and regulations and will not be deemed to have breached its obligation to offer to repurchase the Series M-23 Debentures and/or the Series M-24 Debentures, as applicable, by virtue of such conflict.

On the Change of Control Payment Date, Bell Canada will, to the extent lawful:

1. accept for payment all Series M-23 Debentures and/or Series M-24 Debentures or portions of Series M-23 Debentures and/or Series M-24 Debentures, as applicable, properly tendered pursuant to the Change of Control Offer;
2. deposit with the Trustee an amount of money equal to the Change of Control Payment in respect of all Series M-23 Debentures and/or Series M-24 Debentures or portions of Series M-23 Debentures and/or Series M-24 Debentures, as applicable, properly tendered pursuant to the Change of Control Offer; and
3. deliver or cause to be delivered to the Trustee the Series M-23 Debentures and/or Series M-24 Debentures properly accepted, together with a certificate of Bell Canada stating the aggregate principal amount of the Series M-23 Debentures and/or Series M-24 Debentures or portions of Series M-23 Debentures and/or Series M-24 Debentures, as applicable, being purchased by

Bell Canada.

The Trustee will promptly pay to each holder of properly tendered Series M-23 Debentures and/or Series M-24 Debentures, as applicable, an amount equal to the Change of Control Payment in respect of such Series M-23 Debentures and/or Series M-24 Debentures either, at the Trustee's option, by mailing (first class mail, postage prepaid) a cheque to such holder or by means of a wire transfer in accordance with the applicable payment procedures of the Depository, and the Trustee will promptly certify and mail (first class mail, postage prepaid) (or cause to be transferred by book-entry) to each such holder a new Series M-23 Debenture and/or Series M-24 Debenture, as applicable, equal in principal amount to any unpurchased portion of any Series M-23 Debentures and/or Series M-24 Debentures surrendered, as applicable; provided that each new Series M-23 Debenture and/or Series M-24 Debenture will be in a principal amount of \$1,000 and integral multiples of \$1,000 in excess thereof.

Bell Canada will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if a third party makes such an offer substantially in the manner, at the times and in compliance with the requirements for a Change of Control Offer (and for at least the same purchase price payable in cash) and such third party purchases all Series M-23 Debentures and/or Series M-24 Debentures, as applicable, properly tendered and not withdrawn under its offer.

“Change of Control” means the occurrence of any one of the following: (i) the consummation of the direct or indirect sale, transfer, conveyance, lease or other disposition (other than by way of consolidation, amalgamation or merger), in one or a series of related transactions, of all or substantially all of the property and assets of Bell Canada and its subsidiaries, taken as a whole, to any person or group of persons acting jointly or in concert for purposes of such transaction other than (a) sales, transfers, conveyances, leases or other dispositions to Bell Canada and/or its subsidiaries, or (b) provided that the relevant series of debentures shall remain subject to the Guarantee, or any other guarantee by BCE Inc. (“BCE”) of the full and timely payment when due of all of Bell Canada's payment obligations to the Trustee and the holders thereof with respect to that series of debentures, sales, transfers, conveyances, leases or other dispositions to BCE and/or its subsidiaries (excluding Bell Canada and its subsidiaries); or (ii) the consummation of any transaction including, without limitation, any consolidation, amalgamation, merger or issue of voting shares the result of which is that any person or group of persons acting jointly or in concert for purposes of such transaction (other than BCE, Bell Canada and/or their subsidiaries) becomes the beneficial owner, directly or indirectly, of voting shares of BCE or Bell Canada having more than 50% of the voting power for the election of directors of BCE or Bell Canada (but shall not include the creation of a holding company, the combination of Bell Canada with BCE or any of their subsidiaries by any method whatsoever or any other similar transaction that does not involve a change in the beneficial ownership of BCE, Bell Canada or any successor thereof).

“Change of Control Triggering Event” means, in respect of the Series M-23 Debentures, the occurrence of both a Change of Control with respect to the Series M-23 Debentures and a Rating Event with respect to the Series M-23 Debentures, and, in respect of the Series M-24 Debentures, the occurrence of both a Change of Control with respect to the Series M-24 Debentures and a Rating Event with respect to the Series M-24 Debentures, as the case may be.

“Investment Grade Rating” means a rating equal to or higher than Baa3 (or the equivalent) by Moody's Investors Service, Inc. (“Moody's”), BBB- (or the equivalent) by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. (“S&P”) or BBB (low) (or the equivalent) by Dominion Bond Rating Service Limited (“DBRS”), or the equivalent investment grade credit rating from any other Specified Rating Agency.

“Rating Event” means, with respect to the relevant series of debentures, the rating of such series of debentures is lowered to below an Investment Grade Rating by at least two out of three of the Specified Rating Agencies if there are three Specified Rating Agencies or all of the Specified Rating Agencies if there are less than three Specified Rating Agencies (the “Required Threshold”) on any day within the 60-day period (which 60-day period will be extended so long as the rating of the relevant series of debentures is under publicly announced consideration for a possible downgrade by such number of the Specified Rating Agencies which, together with Specified Rating Agencies which have already lowered their ratings on the relevant series of debentures, as aforesaid, would aggregate in number the Required Threshold, but only to the extent that, and for so long as, a Change of Control Triggering Event would result if such downgrade were to occur) after the earlier of (a) the occurrence of a Change of Control and (b) public notice of the occurrence of a Change of Control or of BCE's or Bell Canada's intention or agreement to effect a Change of Control.

“Specified Rating Agencies” means each of Moody's, S&P and DBRS as long as, in each case, it has not ceased to rate the relevant series of debentures, as the case may be, or failed to make a rating of the relevant series of debentures, publicly available for reasons outside of Bell Canada's control; provided that if one or more of Moody's, S&P or DBRS ceases to rate the relevant series of debentures, or fails to make a rating of the relevant series of debentures publicly available for reasons outside of Bell Canada's control, Bell Canada may select any other “approved rating organization” within the meaning of National Instrument 41-101 of the Canadian Securities Administrators as a replacement agency for such one or more of them, as the case may be.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which are not specifically listed in the Short Form Base Shelf Prospectus of Bell Canada dated September 3, 2009 (the "Prospectus"), and which have been filed by Bell Canada or BCE, as the case may be, with the provincial securities regulatory authorities in Canada, are specifically incorporated by reference in and form an integral part of the Prospectus:

- (a) BCE's audited Consolidated Financial Statements for the year ended December 31, 2010, and the Report of Independent Registered Chartered Accounts thereon, provided on pages 90 to 130 of the BCE 2010 Annual Report;
- (b) BCE's Management's Discussion and Analysis for the year ended December 31, 2010 provided on pages 22 to 87 and on page 131 of the BCE 2010 Annual Report;
- (c) Bell Canada's unaudited Selected Summary Financial Information for the periods ended December 31, 2010 and December 31, 2009 dated March 15, 2011;
- (d) BCE's Annual Information Form dated March 10, 2011 for the year ended December 31, 2010;
- (e) BCE's Management Proxy Circular dated March 10, 2011 in connection with the annual general meeting of the shareholders of BCE held on May 12, 2011;
- (f) BCE's unaudited interim consolidated financial statements for the three-month periods ended March 31, 2011 and 2010 provided on pages 27 to 55 of the BCE 2011 First Quarter Shareholder Report;
- (g) BCE's Management's Discussion and Analysis for the three-month period ended March 31, 2011 provided on pages 2 to 26 of the BCE 2011 First Quarter Shareholder Report;
- (h) Bell Canada's unaudited Selected Summary Financial Information for the three-month periods ended March 31, 2011 and 2010 dated May 12, 2011; and
- (i) BCE's material change report with respect to its acquisition of the remaining 85% interest in CTV Inc. (formerly CTVglobemedia Inc.) that it did not already own dated April 1, 2011.

EXHIBIT

CONSENT OF THE INDEPENDENT REGISTERED CHARTERED ACCOUNTANT

We have read the Pricing Supplement no. 3 of Bell Canada dated May 16, 2011 to the short form base shelf prospectus and prospectus supplement dated September 3, 2009 and September 4, 2009, respectively relating to the offering of \$500,000,000 Series M-23 Debentures and \$500,000,000 Series M-24 Debentures of Bell Canada (collectively, the "Prospectus"). We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in the Prospectus of our report to the board of directors and shareholders of BCE Inc. on the consolidated balance sheets of BCE Inc. and its subsidiaries as at December 31, 2010 and 2009, and the related consolidated statements of operations, deficit, comprehensive income and cash flows for each of the years in the three year period ended December 31, 2010. Our report is dated March 10, 2011.

(signed) Deloitte & Touche LLP⁽¹⁾
Independent Registered Chartered Accountants
Montréal, Canada
May 16, 2011

⁽¹⁾ Chartered accountants auditor permit no. 9335