

THE COMPANIES ACT 1948

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

NORTEL NETWORKS PROPERTIES LIMITED
(the "Company")

(As amended by Special Resolutions passed on 31 March 1978,
18 December 1981, 27 October 1994 and 26 April 1999)

710790

1. The name of the Company is "Nortel Networks Properties Limited".⁽¹⁾
2. The registered office of the Company will be situate in England.
3. The objects for which the Company is established are:-
 - (1) To invest the funds of the Company in, and to acquire and hold, land of freehold, leasehold or any other tenure and any estate or interest therein, shares, stocks, debentures and debenture stock, bonds, obligations and securities issued or guaranteed by any company with limited liability or with unlimited liability constituted or carrying on business in the United Kingdom or in any colony, dominion, dependency or possession thereof, or in any foreign country, and debentures, debenture stock, bonds, obligations and securities issued or guaranteed by any government, sovereign, ruler, commissioners, public body or authority, supreme, municipal, local or otherwise whether at home or abroad, and to make advances upon the security of land, house or other property or any interest therein and from time to time vary or exchange the same, but so that such properties and investments as aforesaid and any properties and investments acquired in substitution therefor shall be acquired for the

⁽¹⁾ The name of the Company was changed to Standard Telephones and Cables (Investments) Limited by Special Resolution passed on 31st March 1978 and to STC Properties Limited by Special Resolution passed on 18th December 1981. By Special Resolution passed on 27th October 1994 the name of the Company was changed to Nortel Properties Limited. By Special Resolution passed on 26th April 1999 the name of the Company was changed to Nortel Networks Properties Limited.



purpose of investment only for the advantages to be derived from the income arising thereon.

- (2) To develop, manage and turn to account any land in which the Company is interested and in particular by laying out and preparing the same for building purposes, or by letting the same or by advancing money to and entering into contracts and arrangements of all kinds with lessees, tenants, builders and others.
- (3) To carry on the business or businesses of estate managers or agents, builders and contractors, decorators, merchants and dealers in stone, sand, lime, bricks, timber and other building requisites, carriers and licensed victuallers.
- (4) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with such businesses as aforesaid or otherwise calculated, directly or indirectly, to enhance the value of any of the Company's property and rights for the time being.
- (5) To purchase or otherwise acquire and undertake, wholly or in part for cash or shares or otherwise howsoever, all or any part of the business or property and liabilities of any person or company.
- (6) Either with or without the Company receiving any consideration or advantage, direct or indirect, from giving any such guarantee, to guarantee either by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets present and future and uncalled capital of the Company, or by both such methods, the performance of the obligations and the payment of the capital or principal of, and dividends or interest on, any stocks, shares or securities of any company, firm or person, and in particular (but without limiting the generality of the foregoing) of any company which is for the time being the Company's holding company, as defined by Section 154 of the Companies Act, 1948, or another subsidiary, as defined by the said section, of the Company's holding company, or otherwise associated with the Company in business.
- (7) To lend money to, or grant or provide credit or financial accommodation to any person or company in any case in which such grant or provision is considered likely directly or indirectly to further any of the objects of the Company or the interests of its Members.
- (8) To amalgamate with or enter into partnership or any joint purse or profit-sharing arrangements with, or to co-operate or participate in any way with, or assist or subsidise any company or person carrying on or proposing to carry on any business within the objects of the Company.

- (9) To borrow and raise money and secure or discharge any debt or obligation of or binding on the Company in such manner as may be thought fit, and in particular by mortgages of or charges upon the undertaking and all or any of the real and personal property (present and future), and the uncalled capital of the Company, or by the creation and issue of debentures, debenture stock or other obligations on securities of any description.
- (10) To sell, exchange, mortgage, let or rent, share of profit, royalty or otherwise, grant licences, easements, options, servitudes and other rights over and in any other manner deal with or dispose of the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit, and in particular for stocks, shares, debentures or other obligations or securities, whether fully or partly paid up, of any other company.
- (11) To give any remuneration or other compensation or reward for services rendered or to be rendered in placing or procuring subscription of, or otherwise assisting in the issue of, any shares, debentures or other securities of the Company or in or about the formation of the Company or the conduct of its business.
- (12) To establish or promote, or concur or participate in establishing or promoting, any company the establishment or promotion of which shall be considered desirable in the interest of the Company and to subscribe for, underwrite, purchase or otherwise acquire the shares, stocks and securities of any such company, or of any company carrying on or proposing to carry on any business or activity within the objects of the Company.
- (13) To procure the registration or incorporation of the Company in or under the laws of any place outside England.
- (14) To subscribe or guarantee money for any purpose which may be considered likely directly or indirectly to further the objects of the Company or the interests of its Members or for any national, charitable, benevolent, public, general or useful object, or for any exhibition.
- (15) To grant pensions or gratuities to any officers or employees or ex-officers or ex-employees (including Directors and ex-Directors) of the Company, or of the previous owner or owners of any land in which the Company is interested, or of its holding company or subsidiary companies (if any), or to the relations, connections or dependants of any such persons, and to establish or support any associations, institutions, clubs, buildings and housing schemes, funds and trusts which may be considered calculated to

benefit any such persons or otherwise advance the interests of the Company or of its Members

- (16) To act as secretaries, managers, registrars or transfer agents for any other company.
- (17) To distribute any of the property of the Company among its Members in specie or kind.
- (18) To do all or any of the things or matters aforesaid in any part of the world, and either as principals, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others.
- (19) To do all such other things as are incidental or the Company may think conducive to the attainment of the above objects or any of them.

And it is hereby declared that the word "company" in this Clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere, and that the objects specified in the different paragraphs of this Clause shall not, except where the context expressly so requires, be in anywise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company, but may be carried out in as full and ample a manner and shall be construed in as wide a sense as if each of the said paragraphs defined the objects of a separate, distinct and independent company.

- 4. The liability of the Members is limited.
- 5. The share capital of the Company is £100, divided into 100 shares of £1 each.

We, the persons whose names and addresses are hereunto subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS	Number of Shares taken by each Subscriber.
Rex B. Grey Connaught House 63 Aldwych, WC2 Company Director	One
A.D. Mackay Connaught House 63 Aldwych, WC2 Company Director	One

Dated the 11th day of December 1961.

WITNESS to the above signatures:-

J.H. Buckland
Connaught House
63 Aldwych, WC2
Company Secretary

THE COMPANIES ACT 1948

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

NORTEL NETWORKS PROPERTIES LIMITED ⁽ⁱ⁾

(the "Company")

(As amended by Special Resolutions passed on
31 March 1978, 18 December 1981,
27 October 1994 and 26 April 1999)

TABLE A.

1. The regulations contained in Part II of Table A in the First Schedule to the Companies Act, 1948 (hereinafter called "the Act"), except where the same are excepted or varied by or inconsistent with these Articles of Association, shall apply to the Company. Unless otherwise indicated, any reference in these Articles of Association to a Clause of Table A shall be construed as a reference to the Clause of that number contained in Part I of Table A.

BUSINESS.

2. Any branch or kind of business which the Company is either expressly or by implication authorised to undertake may be undertaken by the Directors at such time or times as they shall think fit, and further may be suffered by them to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Directors may deem it expedient not to commence or proceed with the same.

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SHARE CAPITAL.

3. The share capital of the Company is £100, divided into 100 Ordinary Shares of £1 each.
4. Subject to any direction to the contrary which may be given by the Company in General Meeting, all shares in the capital of the Company for the time being unissued shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons, for such consideration and upon such terms and conditions as they may determine, and in particular the Directors may grant to any person the option to take up any shares for such period and on such terms and conditions as the Directors may think fit, but so that no share shall be issued at a discount except in accordance with Section 57 of the Act.

MODIFICATION OF RIGHTS.

5. If any separate General Meeting convened pursuant to Clause 4 of Table A shall be adjourned owing to the fact that the prescribed quorum was not present, and if at the adjourned Meeting the prescribed quorum shall not be present within half an hour from the time appointed for holding the Meeting, the holders of shares of the class in question present in person or by proxy at the adjourned Meeting shall constitute a quorum.

LIEN.

6. In Clause 11 of Table A the words “(not being a fully paid share)” and the words “(other than fully paid shares)” shall be deleted.

CALL ON SHARES.

7. In the first sentence of Clause 15 of Table A the words “except in so far as may be otherwise agreed between the Company and any Member in the case of any shares held by him” shall be inserted immediately after the words “provided that”.

PROXIES.

8. In every notice convening a General Meeting of the Company there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote in place of him and that a proxy need not also be a Member.

PROCEEDINGS AT GENERAL MEETINGS.

9. In Clause 4 of Part II of Table A the words “provided that there be not less than two persons present” shall be inserted after the word “proxy”.

10. Subject to the provisions of the Act, a resolution in writing signed by all the Members of the Company who would be entitled to receive notice of and to attend and vote at a General Meeting at which such resolution was to be proposed or by their duly appointed attorneys shall be as valid and effectual as if it had been passed at a General Meeting of the Company duly convened and held. Any such resolution may consist of several documents in the like form each signed by one or more of the Members or their attorneys, and in the case of a body corporate which is a Member signature shall be sufficient if made by a director of that body corporate or by its duly appointed attorney. Clause 5 of Part II of Table A shall not apply.

VOTES OF MEMBERS.

11. If at any General Meeting any vote shall be counted which ought not to have been counted or which might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same Meeting and not in that case unless in the opinion of the Chairman of the Meeting it shall be of sufficient magnitude to vitiate the result of the voting.

DIRECTORS.

12. Unless and until otherwise determined by the Company in General Meeting, the Directors shall be not less than two and not more than seven in number. The names of the first Directors shall be determined in writing by the subscribers to the Memorandum of Association. Clause 75 of Table A shall not apply.
13. Every Director shall have the power to appoint (1) any other Director or (2) any person approved for that purpose by a resolution of the Directors to act as alternate Director during his absence and at his discretion to remove such alternate Director, and on such appointment being made the alternate Director, except as regards remuneration and the power to appoint an alternate, shall be subject in all respects to the terms and conditions existing with reference to the other Directors of the Company, and every alternate Director, while so acting, shall exercise and discharge all the functions, powers and duties of the Director whom he represents. Any Director acting as alternate shall have an additional vote for every Director for whom he acts as alternate.
14. All appointments and removals of an alternate Director shall be effected by instrument in writing signed by the appointor and delivered at the registered office of the Company.
15. If any Director shall be called upon to perform extra services or make any special exertions in going or residing abroad or otherwise for any of the purposes of the Company the Directors may arrange with such Director for such extra

remuneration for such services or exertions, either by way of salary, commission or the payment of a lump sum of money or otherwise, as they shall think fit.

BORROWING POWERS.

16. The Directors may exercise all the powers of the Company to borrow and raise money, and to mortgage and charge its undertaking, property and uncalled capital, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party. Clause 79 of Table A shall not apply.

POWERS AND DUTIES OF DIRECTORS.

17. A Director who pursuant to Clause 84(1) of Table A has declared at a meeting of the Directors the nature of his interest in a contract or proposed contract with the Company shall be entitled to vote in respect of that contract or proposed contract, and if he shall do so his vote shall be counted, and he may be taken into account in ascertaining whether or not a quorum is present at the meeting of the Directors at which the vote is taken. Paragraphs (2) and (4) of Clause 84 of Table A shall not apply.

PENSIONS AND ALLOWANCES.

18. The Directors may grant retiring pensions or annuities or other allowances, including allowances on death, to any person or to the widow or dependants of any person in respect of services rendered by him to the Company as Managing Director, Assistant Managing Director or in any other executive office or employment under the Company or indirectly as an executive officer or employee of any subsidiary company of the Company or of its holding company (if any), notwithstanding that he may be or may have been a Director of the Company, and may make payments towards insurances or trusts for such purposes in respect of such persons and may include rights in respect of such pensions, annuities and allowances in the terms of engagement of any such person. Clause 87 of Table A shall not apply.

APPOINTMENT AND REMOVAL OF DIRECTORS.

19. Subject to Clause 88 of Table A, the Directors shall remain in office until removed by Memorandum in writing signed by the holder or holders for the time being of a majority of the Ordinary Shares and sent to or left at the registered office for the time being of the Company or by resolution of the Company in General Meeting.

20. The holder or holders for the time being of a majority of the Ordinary shares at any item and from time to time by Memorandum in writing signed by him or them and sent to or left at the registered office for the time being of the Company, or the Company by resolution in General Meeting, may appoint any person to be a Director either to fill a casual vacancy in the number of the Directors or as an additional Director. Any Director so appointed shall hold office until he is removed pursuant to Article 19 or his office is vacated under Clause 88 of Table A.
21. Without prejudice to the proceeding Article, any casual vacancy in the number of the Directors may be filled by the Directors and (subject to the limit hereinbefore prescribed) the Directors may at any time and from time to time appoint any person as an additional Director. Any Director appointed under this Article shall hold office until he is removed pursuant to Article 19 or his office is vacated under Clause 88 of Table A.
22. Clauses 89 to 93 (inclusive) and 95 to 97 (inclusive) of Table A shall not apply, and Clause 94 of Table A shall be modified accordingly.

PROCEEDINGS OF DIRECTORS.

23. The quorum necessary for the transaction of the business of the Directors shall be two Directors or their alternates. Clause 99 of Table A shall not apply.
24. A resolution in writing, signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held. Any such resolution may consist of several documents in the like form signed by one or more of the Directors or their alternates. Clause 106 of Table A shall not apply.

CAPITAL RESERVE.

25. Without prejudice to the powers conferred upon the Directors by Clause 117 of Table A the Directors shall establish a reserve to be called "the Capital Reserve", and shall either carry to the credit of such reserve from time to time all moneys realised on the sale of any land or other investments of the Company in excess of the book price of the same or apply the same in providing for depreciation or contingencies. Such Capital Reserve and all other moneys in the nature of accretion to capital, whether on sale of investments or otherwise, shall be treated for all purposes as capital moneys and not as profit available for dividend. Any losses realised on the sale of any investments of the Company may be carried to the debit of the Capital Reserve except in so far as the Directors shall in their discretion decide to make good the same out of the other funds of the Company. Any moneys for the time being standing to the credit of the Capital Reserve may, at the discretion of the Directors, either be employed in the business of the

Company or be invested in such investments (other than shares of the Company) as the Directors may from time to time think fit. The Directors shall, in making any change of investment or other financial transactions of the Company, have power in their discretion to make all apportionments necessary, between capital and income.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS.

Rex B. Grey
Connaught House
63 Aldwych, WC2
Company Director

A.D. Mackay
Connaught House
63 Aldwych, WC2
Company Director

Dated the 11th day of December 1961.

WITNESS to the above signatures:-

J.H. Buckland
Connaught House
63 Aldwych, WC2
Company Secretary