

**THIS APPOINTMENT OF SUCCESSOR TRUSTEE AND ACCEPTANCE
OF APPOINTMENT OF SUCCESSOR TRUSTEE** made as of the ^{1st} day of ^{DEC.} 2005.

BETWEEN:

NORTEL NETWORKS LIMITED, a company duly
incorporated under the laws of Canada (hereinafter
referred to as the "Plan Sponsor")

OF THE FIRST PART,

and

THE NORTHERN TRUST COMPANY, CANADA, a
trust company incorporated under the laws of Canada
(hereinafter referred to as the "Trustee")

OF THE SECOND PART.

WHEREAS the Plan Sponsor has heretofore adopted certain health and welfare plans (collectively the "Plan") for the benefit of certain of its employees and their beneficiaries and the eligible employees and beneficiaries of any other corporation which may participate in the Plan;

AND WHEREAS the Plan Sponsor established a trust fund to give effect to the Plan effective as of January 1, 1980, as amended to the date hereof (the "Health and Welfare Trust") under which the current trustee is The Royal Trust Company of Canada (the "Prior Trustee");

AND WHEREAS the Plan Sponsor has removed the Prior Trustee and the Trustee is to be appointed as successor trustee by the Plan Sponsor pursuant to paragraph 2(q) of Article III of the Health and Welfare Trust;

NOW THEREFORE THIS DEED WITNESSES as follows:

- 1.01 The Plan Sponsor has removed the Prior Trustee and hereby appoints the Trustee as the successor trustee under the Health and Welfare Trust to assume all of the powers, rights, duties and responsibilities of the Prior Trustee under the Health and Welfare Trust effective as of the date hereof.
- 1.02 The Trustee hereby accepts the appointment by this deed as trustee under the Health and Welfare Trust in place of and as successor to the Prior Trustee effective as of the date hereof.

- 1.03 The Plan Sponsor and the Trustee hereby declare that every right, title or interest in any property subject to the Health and Welfare Trust shall vest in the Trustee subject to the terms of the Health and Welfare Trust with the intent and effect that the declaration hereby made shall, without any conveyance or assignment, operate to vest in the Trustee for the purposes of the said trust all such right, title and interest.
- 1.04 The Plan Sponsor and the Trustee shall use their best efforts to amend and restate the Health and Welfare Trust as soon as practicable in a manner that does not adversely affect the Plan or the Health and Welfare Trust for tax purposes and the Plan Sponsor further agrees to provide such further assurances, execute such instruments or take any such further steps as the Trustee may reasonably require in order to effect the succession contemplated herein.

IN WITNESS WHEREOF the parties hereto have caused this Appointment to be executed by their respective officers thereunto fully authorized and their corporate seals to be hereunto affixed and attested as of the day and year first above written.

NORTEL NETWORKS LIMITED

| | |
|-------------------------------------|-----------------------------|
| Per: <u>William J. Lasalle</u> | Per: <u>K. B. Stevenson</u> |
| Signature | Signature |
| <u>WILLIAM J. LASALLE</u> | <u>K. B. Stevenson</u> |
| <u>GENERAL COUNSEL - OPERATIONS</u> | <u>Treasurer</u> |
| Name and Title | Name and Title |

THE NORTHERN TRUST COMPANY, CANADA

| | |
|---------------------------------|-------------------------|
| Per: <u>Frederic W. Conover</u> | Per: <u>Veda Nancoo</u> |
| Signature | Signature |
| <u>FREY W. CONOVER</u> | <u>VEDA NANCOO</u> |
| <u>PRESIDENT & CEO</u> | <u>VICE PRESIDENT</u> |
| Name and Title | Name and Title |