

No. of Company: 2609164

The Companies Act 1985

COMPANY LIMITED BY SHARES

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SPECIAL RESOLUTION

(Pursuant to The Companies Act, 1985 Section 380)

of

PROCORD LIMITED

Passed on the 5th September 1994

At an Extraordinary General Meeting of the above named Company duly convened and held at New Court, 1 Barnes Wallis Road, Segensworth East, Fareham, Hampshire PO15 5UA on 5th September, 1994, the following Resolutions were passed by way of Special Resolution, namely:-

THAT, subject to and conditional upon the Directors of Procord Limited receiving written confirmation from Johnson Controls (U.K.) Limited that its offer as set out in the offer document dated 12 August 1994 is unconditional and irrevocable save, inter alia, for the issue of the "A" Preferred Ordinary shares of 5p each in the Company to be created pursuant to this Resolution:

- 1 (a) the authorised share capital of the Company be hereby increased from £960,000 to £1,136,717 by the creation of 3,534,340 shares of 5p each and so that the share capital shall be designated as set out in Regulation 2 of the Company's Articles of Association as amended by this Resolution;
- (b) in substitution for any previous authority, the Directors be hereby generally and unconditionally authorised, in accordance with section 80 of the Companies Act 1985, to allot relevant securities (as defined in that Section) up to a maximum aggregate nominal amount of relevant securities £491,190; and this authority will (unless renewed) expire five years from the date on which this Resolution is passed, but the Company may before this authority expires make an offer or agreement which would or might require relevant securities



to be allotted after this authority expires;

- (c) the Directors be hereby given power in accordance with Section 95 of the Companies Act 1985 to allot equity securities (within the meaning of Section 94 of the Act) pursuant to the authority conferred by paragraph (b) above as if Section 89(1) of the Companies Act 1985 did not apply to the allotment; and
 - (d) that the Directors be and they are hereby authorised to exercise all the powers of the Board for the time being so that, to the extent determined by the Directors, the holders of Main "A" Ordinary Shares of 5p each shall be permitted to elect to receive "A" Preferred Ordinary Shares of 5p each in the capital of the Company, credited as fully paid, instead of all or any of the final dividend of 1p per share for the financial year of the Company ended 31 July 1994;
2. the 2,582,062 Redeemable Preferred "B" Shares of 5p each registered in the name of IBM United Kingdom Holdings Limited each in the capital of the Company be hereby converted into "B" Ordinary Shares of 5p each carrying the rights set out in Regulation 7 of the Company's Articles of Association as adopted by this Resolution;
 3. notwithstanding the provisions of Regulations 8(a) to (d) inclusive and Regulation 8(g) of the Company's Articles of Association, 6,050,240 of the Redeemable Preferred "B" Shares of 5p each in issue following the conversion of the 3,240,540 Redeemable Preferred "B" Shares of 5p each pursuant to paragraph 2 of these Resolutions, be redeemed at a total price of £1,781,340 of which £1,478,828 shall be treated as having been paid from the Company's distributable reserves;
 4. the dividend payable to holders of the Redeemable Preferred "B" Shares of 5p each in the Company under Regulation 6(a) of the Company's Articles of Association be paid to them out of the profits of the current financial period on 15 October 1994 by way of interim dividend and Regulation 6(b) be amended accordingly;
 5. the "A" Ordinary Shares of 5p each in the capital of the Company (other than the

346,200 "A" Ordinary Shares registered in the name of the trustees of the Procord Limited Employee Trust allocated in the Company's register of members as "Procord Limited Employee Trust Option Shares") be redesignated as Main "A" Ordinary Shares of 5p each and treated as a separate class, carrying the rights set out in the Company's Articles of Association as amended by this Resolution;

6. 500,000 new Redeemable Preference Shares of 5p each be issued at £1 per share to Johnson Controls (U.K.) Limited immediately prior to the capitalisation referred to in Clause 7 of this Resolution;
7. on the recommendation of the Directors a final dividend of £93,238 be declared in respect of the year ended 31 July 1994 to the holders of the Main "A" Ordinary Shares at the rate of 1p per share with an option for holders of such shares on the register of members to elect to receive one new "A" Preferred Share of 5p each for every Main "A" Ordinary Share of 5p each held in lieu of cash. The Directors are hereby authorised to capitalise the appropriate nominal amount of the new "A" Preferred Shares of 5p each to be allotted in consequence of such election as aforesaid out of the amounts standing to the credit of the Company's reserves and share premium account and to apply such sum in paying such "A" Preferred Shares of 5p each and to allot such "A" Preferred Shares of 5p each to the members of the Company validly making such elections in accordance with their respective entitlements; and
8. the Company's Articles of Association be hereby altered as follows:
 - (i) by omitting Regulations 3, 4, 5, 6(c), 8(e), 9, 13(k), 13(p) and 29 and renumbering accordingly;
 - (ii) by adding after Regulation 13(c)(v) the following Regulation to be numbered 13(c)(vi):

"Any member may at any time transfer any shares in the Company to any person who has made an offer to all the shareholders of the Company to

acquire not less than 50 per cent. of the issued shares in the capital of the Company.";

(iii) by substituting the following for Regulation 2:

"The Authorised share capital of the Company at the date of the adoption of this Regulation is £1,136,717 divided into:

- (a) 9,323,800 Main "A" Ordinary Shares of 5p each (hereinafter referred to as Main "A" Shares)
- (b) 3,240,540 "B" Ordinary Shares of 5p each (hereinafter referred to as "B" Shares)
- (c) 346,200 "A" Ordinary Shares of 5p each (hereinafter referred to as "A" Shares)
- (d) 500,000 Redeemable Preference Shares of 5p each (hereinafter referred to as "Redeemable Preference Shares") and
- (e) 9,323,800 "A" Preferred Ordinary Shares of 5p each (hereinafter referred to as "A" Preferred Ordinary Shares")

in each case carrying the rights set out in these Articles but otherwise ranking *pari passu*."; and (iv) by substituting the following for Regulation 7:

"7.1 On a return of capital by way of a sale of the Company or on liquidation or capital reduction or otherwise the assets of the Company remaining after payment of its liabilities shall be applied firstly to repayment of the Redeemable Preference Shares at par and then as follows:

- (a) As to 25.1% thereof to the holders of the "B" Shares as a class;
- (b) As to 2.68% thereof to the holders of the "A" Shares as a class;
- (c) As to 72.22% thereof to divide the same
 - (i) as to a 1/25th part thereof to the holders of the Main "A" Shares as a class; and

- (ii) as to 24/25 parts thereof to the holders of the "A" Preferred Ordinary Shares as a class.

7.2 The amount of profits available for distribution for any period following the date of adoption of this Article shall be distributed as follows:

- (a) as to 25.1% thereof to the holders of the "B" shares as a class;
- (b) as to 2.68% thereof to the holders of the "A" Shares as a class;
- (c) as to 72.22% thereof to divide the same;
 - (i) as to 1/25th part thereof to the holder of the Main "A" Shares as a class; and
 - (ii) as to 24/25 parts thereof to the holders of the "A" Preferred Ordinary Shares as a class.

7.3 The Company shall at any time be entitled to redeem all or any of the Redeemable Preference Shares by paying the nominal amount paid up thereon together with any premium paid.

Chairman