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COMPANIES HOUSE

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COMPANIES HOUSE

Company No 04606078

The Companies Acts 1985 and 1989

Company limited by shares

Written resolution of

BIFOLD FLUIDPOWER (HOLDINGS) LIMITED

(the "Company")

In accordance with section 381A of the Companies Act 1985 (the "Act"), we, being all the members of the Company who, at the date of these written resolutions are entitled to vote at general meetings of the Company and having been provided with a copy of the statutory declaration(s) sworn by the director(s) of the Company together with a copy of the auditors' report(s) annexed thereto, hereby approve the following resolutions as if they had been passed at a general meeting of the Company duly convened and held

Special Resolutions

- 1 **THAT** the provisions of the Articles of Associations of the Company be altered by the insertion of a new articles 11, 12 and 13 as follows

"11 Notwithstanding anything contained in these articles, whether expressly or impliedly contradictory to the provisions of this Article (to the effect that any provision contained in this Article shall override any other provision of these articles)

- (a) The directors shall not decline to register any transfer of shares, nor may they suspend registration thereof, where such transfer
- (i) is to any bank, institution or other person which has been granted a security interest in respect of such shares, or to any nominee of such a bank, institution or other person (or a person acting as agent or security trustee for such person) (**Secured Institution**) (and a certificate by any such person or an employee of any such person that a security interest over the shares was so granted and the transfer was so executed shall be conclusive evidence of such facts), or
 - (ii) is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares, or
 - (iii) is executed by a Secured Institution or its nominee pursuant to a power of sale or other power existing under such security,

and the directors shall forthwith register any such transfer or shares upon receipt and furthermore notwithstanding anything to the contrary contained in these articles no transferor of any shares in the Company or proposed transferor of such shares to a Secured Institution or its nominee and no Secured Institution or its nominee shall (in either such case) be required to offer the shares which are or are to be the subject of any transfer as aforesaid to the shareholders for the time being of the Company or any of them and no such shareholder shall have any right under the articles or otherwise howsoever to require such shares to be transferred to them whether for any valuable consideration or otherwise

- (b) The directors shall not issue any share certificates (whether by way of replacement or otherwise) without the prior written consent of (or on behalf of) all (if any) Secured Institutions (as defined in Article 11(a)(i) above)
- (c) The Company's first and paramount lien on every share shall not apply to shares held by a Secured Institution (as defined in Article 11(a)(i) above)

Any variation of this Article shall be deemed to be a variation of the rights of each class of share in the capital of the Company

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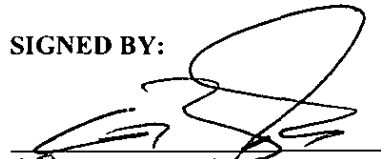
- (a) A director may vote on any resolution notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any such resolution, his vote shall be counted and in relation to any such resolution, he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting
- (b) Regulations 94 and 95 of Table A shall not apply to the Company

13 A meeting of the board of directors may be held between directors some or all of whom are in different places, whether by telephone or video conference or any other audio or audio visual communication media, provided always that the number of directors participating constitutes a quorum and provided that each director participating in the meeting can hear each of the other participants and can address all of the other participants simultaneously "

- 2 **THAT** the provisions of the documents referred to in the annexure below (as the same may be amended, varied, supplemented or substituted from time to time) (the "**Banking Documents**") which the Company is proposing to enter into and grant in connection with the acquisition by Bifold Group Limited (the "**Purchaser**") of the entire issued share capital of the Company be and are hereby approved
- 3 **THAT** (notwithstanding any provisions of the memorandum and articles of association of the Company or any personal interest of the directors) the directors of the Company be and are hereby empowered, authorised and directed to complete and enter into such of the Banking Documents to which the Company is or is to become a party
- 4 **THAT** the entering into and granting of certain of the Banking Documents to which the Company is a party would constitute financial assistance within the meaning of Sections 151 to 158 (inclusive) of the Act
- 5 **THAT** the entering into and granting of the Common Terms Agreement, the Intercreditor Deed, the Corporate Guarantee, the Subsidiary Debentures and the Intra-Group Loan Agreement by each of Bifold Fluidpower Limited ("**BFL**"), MTS Precision Limited, Marshalsea Hydraulics Limited (together "**Charging Subsidiaries**") will constitute financial assistance within the meaning of the Act by such Charging Subsidiary for the acquisition by the Purchaser of the entire issued share capital of the Company and in connection with reducing or discharging a liability incurred for the purpose of the acquisition of the entire share capital of such Charging Subsidiary by the Company
- 6 **THAT** the giving of such financial assistance, as set out in paragraphs 4 and 5 above, be and is hereby approved

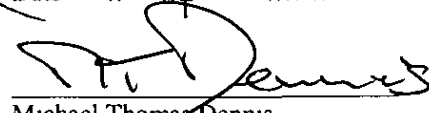
Signed by, or by its duly authorised representatives on behalf of all of the members of the Company who as at the date hereof would be entitled to attend and vote at a general meeting had the resolutions been put to such a meeting. Signature of this resolution by any holders of any class of shares in the Company shall also constitute their consent as holders of that class of shares to the passing of the resolutions set out above

SIGNED BY:


Gary Terence Jacobson

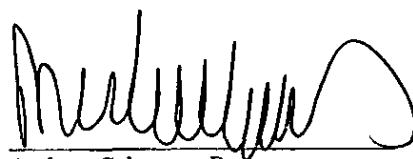
Date

20 April 2007


Michael Thomas Dennis


Date

20 April 2007


Andrew Sebastian Revans

Date

20 April 2007


Bernard Charles Egbert Pazzard

Date

20 April 2007

As attorney on behalf of
Paul Laszlo Torday


Date

As attorney on behalf of
Kathy Liang

Date

As attorney on behalf of
David Matthew Jagger

Date


Duly authorised for and on behalf of
Barclays Unquoted Investments Limited (No
2156066)

Date 20 April 2007

As attorney on behalf of
John Ball

Date

As attorney on behalf of
Anthony Boswell

Date

As attorney on behalf of
Stuart Broomfield

Date

As attorney on behalf of
Kevin Daniel


Date

As attorney on behalf of
Rick Lucas

Date

As attorney on behalf of
Neil Edwin Torbitt

Date


Duly authorised for and on behalf of
Globe Nominees Limited (No 3911777)

Date 20 April 2007

As attorney on behalf of
Brian J Anderson

Date

As attorney on behalf of
Andrew E Bennett

Date

As attorney on behalf of
Mark Bridgewater


Date

As attorney on behalf of
Richard A Burke


Date

As attorney on behalf of
Lee Denevon


Date


As attorney on behalf of
Paul Laszlo Torday

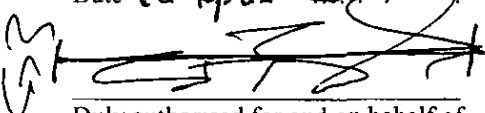
Date 20 April 2007


As attorney on behalf of
Kathy Liang


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David Matthew Jagger

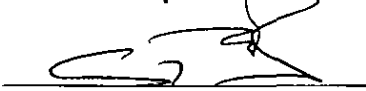
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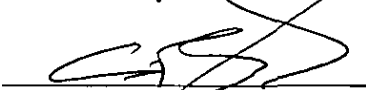
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Anthony Boswell

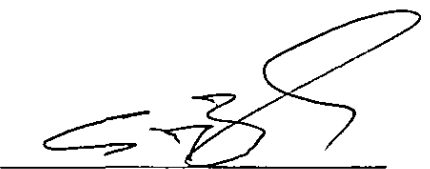
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Stuart Broomfield

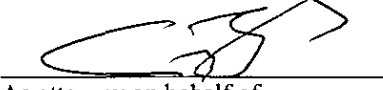
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Kevin Daniel

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Rick Lucas

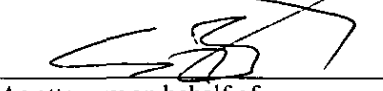
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Neil Edwin Torbitt

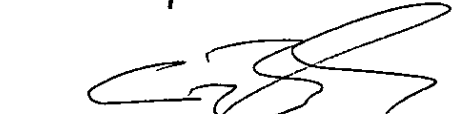
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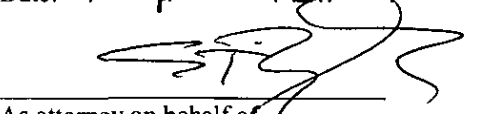
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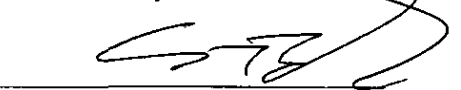
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Mark Bridgewater

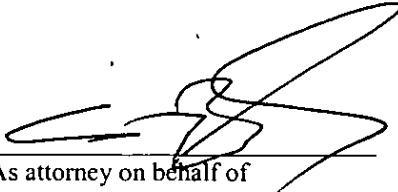
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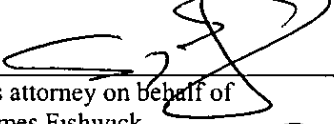
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Lee Denevon

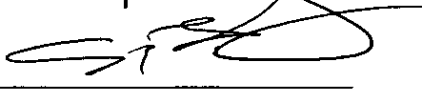
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As attorney on behalf of
Ian A Drury

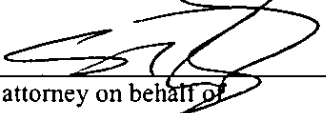
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As attorney on behalf of
James Fishwick

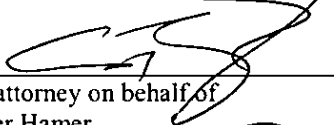
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Ian Goodwin

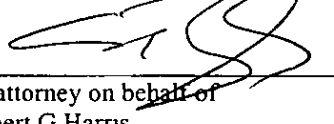
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As attorney on behalf of
Darren Gregory

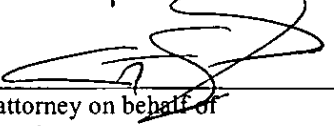
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As attorney on behalf of
Peter Hamer

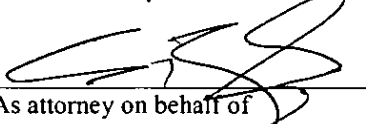
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As attorney on behalf of
Robert G Harris

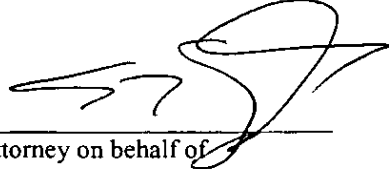
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Richard M Higgs

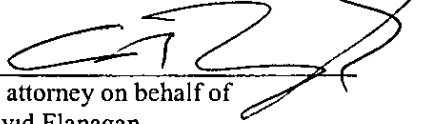
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As attorney on behalf of
Sandra S Humphreys

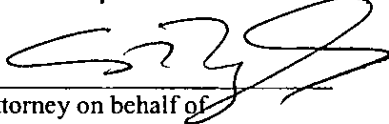
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As attorney on behalf of
Paul K Edmondson

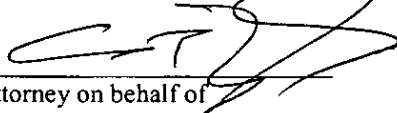
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David Flanagan

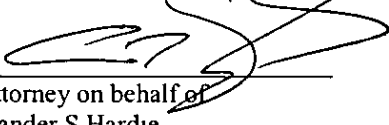
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Kevin R Green

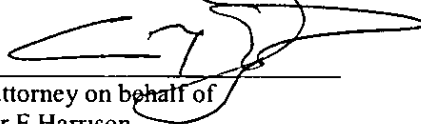
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As attorney on behalf of
Derek Halliwell

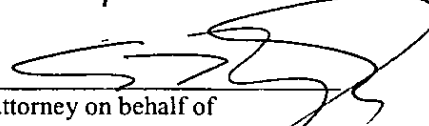
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As attorney on behalf of
Alexander S Hardie

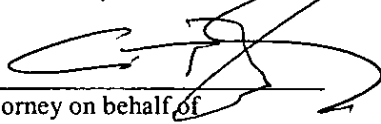
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As attorney on behalf of
Peter F Harrison

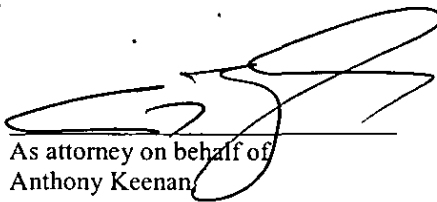
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As attorney on behalf of
John R Hoyle

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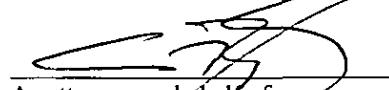

As attorney on behalf of
Paul Jaggard

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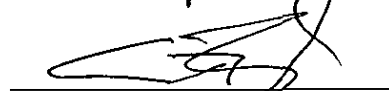
As attorney on behalf of
Anthony Keenan

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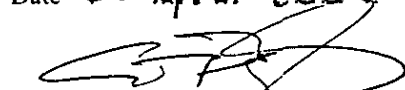
As attorney on behalf of
Nigel A Leighton

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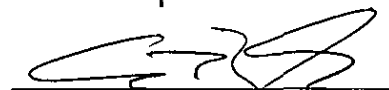
As attorney on behalf of
Stephen Lignum

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As attorney on behalf of
Sandra Joy Lynch

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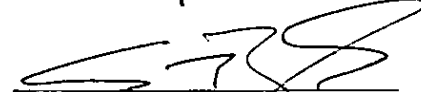
As attorney on behalf of
Paul Edward Mather

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As attorney on behalf of
David Mayo

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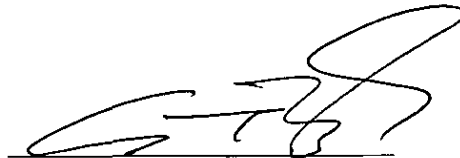
As attorney on behalf of
Mark Mellor

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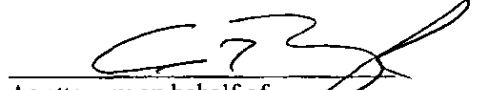
As attorney on behalf of
Craig Morris

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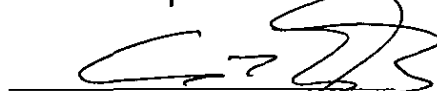
As attorney on behalf of
Richard P Knebel

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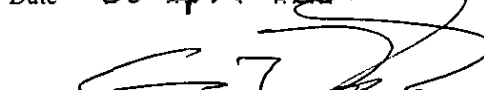
As attorney on behalf of
Philip Liggins

Date 20 April 2007




As attorney on behalf of
Andrew Lockwood

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As attorney on behalf of
Graham Marsh

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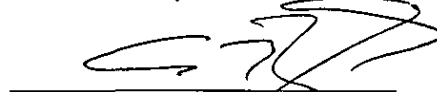
As attorney on behalf of
Paul F Matley

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As attorney on behalf of
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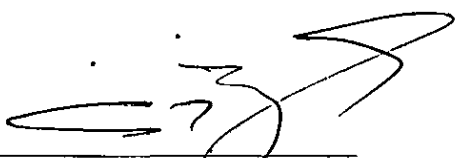
As attorney on behalf of
William Middleton

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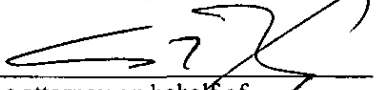


As attorney on behalf of
S M Norris

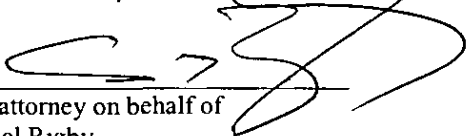
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As attorney on behalf of
Tammie L O'Rourke

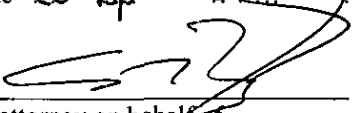
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Jeffrey Overy

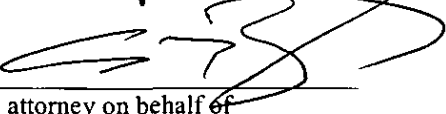
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As attorney on behalf of
Nigel Rigby

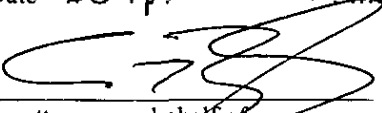
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As attorney on behalf of
Jeanette Robinson

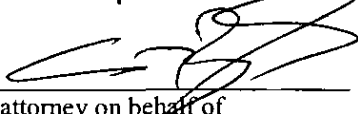
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Tim J Selby

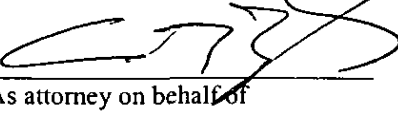
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John Sixsmith

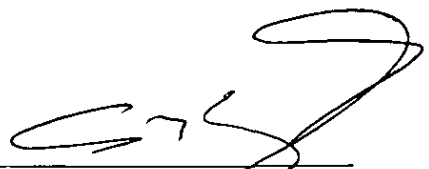
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As attorney on behalf of
Anthony Stockton

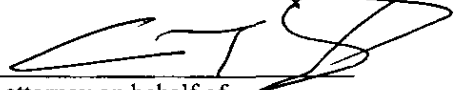
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Dionne Taylor

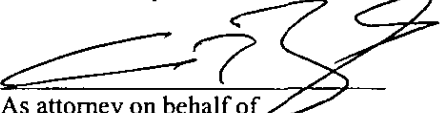
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As attorney on behalf of
Theresa M Ott

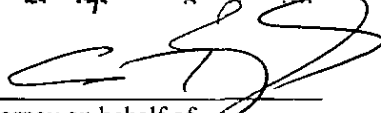
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Michael Clifford Pearson

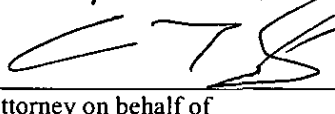
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As attorney on behalf of
Carl Rigg

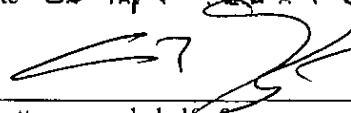
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As attorney on behalf of
Janet Christine Sawyer

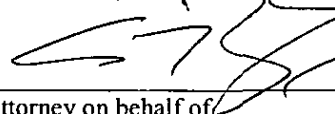
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David Shaw

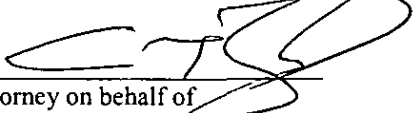
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Mark Stafford

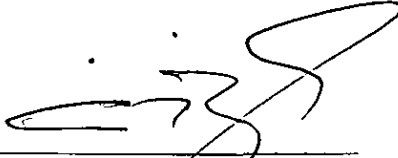
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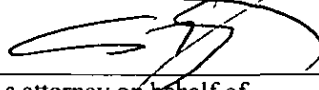
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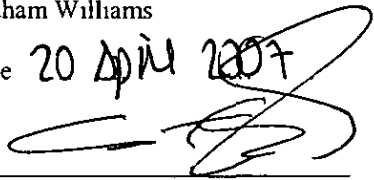
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Thomas Whitter

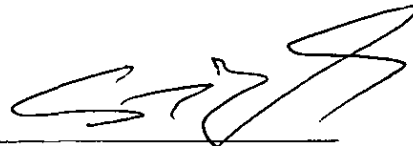
Date 20 April 2007


As attorney on behalf of
Graham Williams

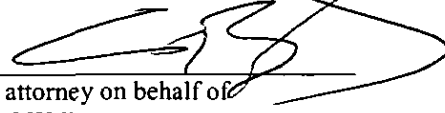
Date 20 April 2007


As attorney on behalf of
Robert A Wright

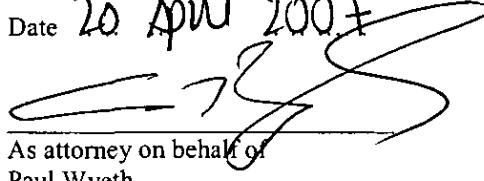
Date 20 April 2007


As attorney on behalf of
Jonathan Wilding

Date 20 April 2007


As attorney on behalf of
Ian J Williams

Date 20 April 2007


As attorney on behalf of
Paul Wyeth

Date 20 April 2007

The Companies Acts 1985 and 1989

Company limited by shares

Written resolution of

BIFOLD FLUIDPOWER (HOLDINGS) LIMITED

Annexure of Banking Documents

- (i) a common terms agreement to be made between The Governor and Company of the Bank of Scotland ("**BoS**") as the Senior Agent (1), BoS as a Senior Lender (2), BoS as the Security Trustee (3), BoS as the Mezzanine Agent (4), BoS as a Mezzanine Lender (5), BoS as the Junior Subordinated Loan Agent (6), BoS as a Junior Subordinated Lender (7), BoS as Working Capital Bank (8), the Borrower as Borrower (9) and the Companies named in Schedule 1 thereto (including the Company) as Original Obligors (10) (as each such term is defined therein) (the "**Common Terms Agreement**"),
- (ii) a £12,250,000 senior facilities agreement to be made between the Purchaser (1), BoS as the Senior Agent (2) and BoS as a Senior Lender (3) for the provision of sterling term loan facilities (the "**Senior Facilities Agreement**"),
- (iii) a £5,400,000 mezzanine loan agreement to be made between the Purchaser (1), BoS as the Mezzanine Agent (2) and BoS as a Mezzanine Lender (3) (the "**Mezzanine Loan Agreement**"),
- (iv) a £6,200,000 junior subordinated loan agreement to be made between the Purchaser (1), BoS as the Junior Subordinated Loan Agent (2) and BoS as a Junior Subordinated Lender (3) (the "**Junior Subordinated Loan Agreement**"),
- (v) a working capital facility letter to be made between, inter alios, the Purchaser and the Company (1) and BoS as the Working Capital Bank (2) (the "**Working Capital Facility Letter**"),
- (vi) an intercreditor deed to be made between BoS as Senior Agent (1), BoS as a Senior Lender (2), BoS as the Security Trustee (3), BoS as the Mezzanine Agent (4), BoS as a Mezzanine Lender (5), BoS as Junior Subordinated Loan Agent (6), BoS as a Junior Subordinated Lender (7), BoS as Working Capital Bank (8), the Equity Investors (as defined therein) (9), the Management Loan Note Holders (as defined therein) (10) the Borrower as Borrower (11) and each of the Original Obligors (including the Company) (12) regulating the subordination of payments due and, where applicable, the enforcement of security by the parties thereto (the "**Intercreditor Deed**"),
- (vii) debentures to be executed by the Company and the Purchaser in favour of the Security Trustee for and on behalf of the Security Beneficiaries (as defined in the Intercreditor Deed) (the "**Debentures**"),
- (viii) debentures to be executed by each of the Charging Subsidiaries in favour of the Security Trustee for and on behalf of the Security Beneficiaries (the "**Subsidiary Debentures**"),
- (ix) an unlimited corporate cross guarantee to be executed by, inter alios, the Company and the Charging Subsidiaries in favour of the Security Trustee for and on behalf of the Security Beneficiaries (the "**Corporate Guarantee**"),
- (x) deeds of assignment of keyman insurance policies, each in favour of the Security Trustee for and on behalf of the Security Beneficiaries, to be executed by the Company in respect of the keyman insurance policies over the lives of Andrew Revans and Bernard Pazzard and by BFL in respect of the keyman insurance policies over the lives of Gary Jacobson and Mike Dennis (the "**Insurance Assignments**") and

- (x1) an intra-group loan agreement to be made between, inter alios, the Purchaser (1), the Company (2) and the Charging Subsidiaries (3) (the "**Intra-Group Loan Agreement**")

Dated : 20 April 2007