

IN THE HIGH COURT OF JUSTICE**No. 001951 of 1996****CHANCERY DIVISION****COMPANIES COURT****MR. REGISTRAR SIMMONDS****IN THE MATTER OF SECURITY SERVICES PLC****- and -****IN THE MATTER OF THE COMPANIES ACT 1985**

UPON THE PETITION of the above-named Security Services plc (the Company) whose registered office is situate at Sutton Park House, 15 Carshalton Road, Sutton, Surrey SM1 4LD on 13th May 1996 preferred unto this Court

AND UPON HEARING Counsel for the Company, for Securicor Group plc and Securicor plc referred to in the Scheme of Arrangement hereinafter mentioned

AND UPON READING the said Petition, the Scheme of Arrangement as set forth in the Schedule to the Petition and the Scheme of Arrangement (as amended) in the First Schedule hereto (the "Scheme") and the evidence

AND UPON the Company, the said Securicor Group plc and Securicor plc jointly consenting for and on behalf of themselves and all other persons concerned to amend the Scheme as set out in the First Schedule hereto

AND UPON the Court approving such amendments

AND the said Securicor Group plc and Securicor plc by their Counsel submitting to be bound by the Scheme hereinafter sanctioned and undertaking to execute all such documents and do all such acts and things as may be necessary or desirable to be executed and done by them for the purpose of giving effect to such Scheme

THIS COURT HEREBY SANCTIONS the Scheme in its amended form as set forth in the First Schedule hereto

AND THIS COURT ORDERS that the reduction of capital of the Company by (a) the cancellation and extinguishment of the Scheme Stock (as referred to in the Scheme mentioned above) and (b) the cancellation and extinguishment of the 100,000 3.15 per cent cumulative preference shares of £1 each resolved on and effected by Special Resolutions passed at an Extraordinary General Meeting of the said Company held on the 10th May 1996 be and the same is hereby confirmed in accordance with the provisions of the above-mentioned Act

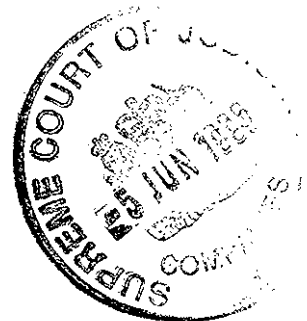
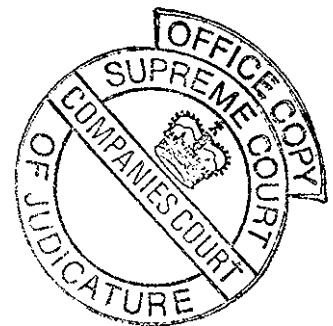
AND THIS COURT HEREBY APPROVES the Minute set forth in the Second Schedule hereto



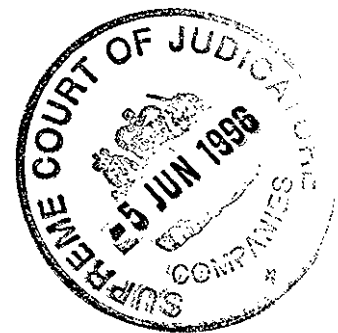
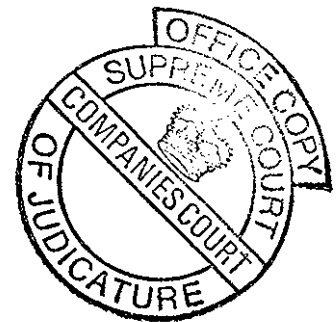
AND IT IS HEREBY ORDERED that this Order be produced by the Company to the Registrar of Companies and that an Office Copy hereof be delivered to him together with a copy of the said Minute

AND IT IS ORDERED that notice of the registration by the Registrar of Companies of this Order (so far as it confirms the reduction of the capital of the Company) and of the said Minute be published once in "The Financial Times" newspaper within 21 days after such registration.

Dated the 5th day of June 1996



THE FIRST SCHEDULE ABOVE REFERRED TO



PART 5

Security Services Scheme of Arrangement

**IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT**

No. 001951 of 1996

IN THE MATTER OF SECURITY SERVICES PLC

-and-

IN THE MATTER OF THE COMPANIES ACT 1985

SCHEME OF ARRANGEMENT

UNDER SECTION 425 OF THE COMPANIES ACT 1985

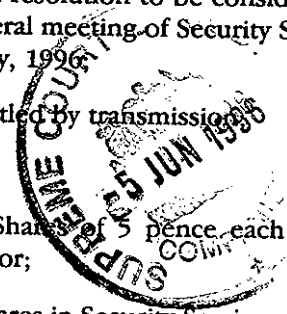
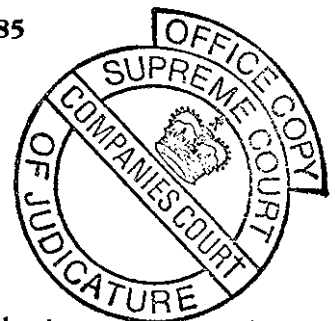
BETWEEN:

- (1) SECURITY SERVICES PLC
- (2) THE HOLDERS OF THE SCHEME STOCK

PRELIMINARY

- A. In this Scheme, unless inconsistent with the subject or context, the following expressions shall bear the following meanings:

"Effective Date"	means the day on which this Scheme becomes effective in accordance with Clause 7 of this Scheme;
"First Special Resolution"	means the first special resolution to be considered at the extraordinary general meeting of Security Services convened for 10th May, 1996;
"holder"	includes a person entitled by transmission;
"New Securicor"	means Securicor plc;
"New Securicor Ordinary Shares"	means the Ordinary Shares of 5 pence each in the capital of New Securicor;
"New 'Y' Ordinary Shares"	means 'Y' Ordinary Shares in Security Services created pursuant to paragraph 1.4 of the First Special Resolution;
"Ordinary Stock Units"	means Ordinary Stock Units of 25 pence each in Security Services;
"Record Date"	means the close of business on the London Stock Exchange dealing day immediately prior to the Effective Date;
"Scheme Stock"	means all the Ordinary Stock Units in issue at the date of this Scheme other than the 55,629,235 Ordinary Stock Units registered in the name of Securicor Group and/or its nominees, together with any further such units issued after the date hereof and prior to the meeting of the holders of Ordinary Stock Units convened by order of the High Court for 10th May, 1996, as presently described or as redesignated as "Y' Ordinary Shares" pursuant to the First Special Resolution;



"Securicor Group"

means Securicor Group plc;

"Securicor Group Scheme"

means the scheme of arrangement under section 425 of the Companies Act 1985 proposed by Securicor Group in a circular of even date herewith sent to shareholders of Securicor Group;

"Security Services"

means Security Services plc; and

"this Scheme"

means this Scheme in its present form or with any modification thereof or addition or condition thereto, in each case approved by the Court.

- B. The authorised share capital of Security Services is £30,000,000 divided into 100,000 3.15% Cumulative Preference Shares of £1 each, 109,615,911 Ordinary Stock Units and 9,984,089 Ordinary Shares of 25p each, of which all such 3.15% Cumulative Preference Shares and all such Ordinary Stock Units have been issued and are credited as fully paid and all such Ordinary Shares of 25 pence each are unissued.
- C. Securicor Group and New Securicor have agreed to appear by Counsel on the hearing of the Petition to sanction this Scheme and to consent thereto and to undertake to the Court to be bound thereby and to execute all such documents and do all such acts and things as may be necessary or desirable to be executed or done by them for the purpose of giving effect to this Scheme.

THE SCHEME

1. Cancellation of the Scheme Stock

- (A) The capital of Security Services shall be reduced by the cancellation of all the Scheme Stock.
- (B) Forthwith upon the said reduction of capital taking effect, the capital of Security Services shall be increased to its amount immediately preceding the said reduction by the creation of such amount of capital consisting of New 'Y' Ordinary Shares as shall equal the amount of capital so cancelled.
- (C) On the Effective Date, Security Services shall apply the credit which will arise in its books of account as a result of the said reduction of capital in paying up in full at par the New 'Y' Ordinary Shares created pursuant to clause 1(B) of this Scheme and shall allot the said New 'Y' Ordinary Shares, credited as fully paid, to New Securicor and/or its nominees.

2. Consideration for cancellation of the Scheme Stock

In consideration of the cancellation of the Scheme Stock and the allotment of New 'Y' Ordinary Shares to New Securicor and/or its nominees respectively provided for by Clause 1(A) and Clause 1(C) of this Scheme, New Securicor shall allot to the holders of Scheme Stock, as appearing in the Register of Members of Security Services on the Record Date, in respect of their former shareholdings in Security Services, New Securicor Ordinary Shares, credited as fully paid, on the following basis:-

For each Scheme Stock unit

3.846 New Securicor Ordinary Shares

Fractions of New Securicor Ordinary Shares shall not be allotted to holders of Scheme Stock or holders of Scheme Shares (as defined in the Securicor Group Scheme) but shall be aggregated and, as soon as reasonably practicable following the admission of the New Securicor Ordinary Shares to the Official List of the London Stock Exchange, sold for the benefit of New Securicor, unless the aggregate proceeds of sale of fractions to which a holder of Scheme Stock would be entitled pursuant to this Scheme and in respect of his holding of Scheme Shares (as so defined) pursuant to the Securicor Group Scheme exceed £3.00, in which event such proceeds shall be remitted by cheque to the person entitled in accordance with Clause 4 of this Scheme.

3. Rights attaching to New Securicor Ordinary Shares

The New Securicor Ordinary Shares to be allotted and issued pursuant to the provisions of this Scheme shall rank *pari passu* in all respects with the New Securicor Ordinary Shares in issue on the Effective Date and the New Securicor Ordinary Shares to be issued pursuant to the terms of the Securicor Group Scheme and shall rank for all dividends or distributions made, paid or declared thereon after the Effective Date.

4. Certificates and payment

New Securicor shall, not later than 21 days after the Effective Date, deliver in accordance with this Scheme certificates in respect of New Securicor Ordinary Shares and cheques in respect of the proceeds of sale of fractional entitlements pursuant to Clause 2 of this Scheme by sending the same through the post in pre-paid envelopes addressed to the persons entitled thereto at their respective registered addresses appearing in the Register of Members of Security Services on the Record Date (or, in the case of joint holders, to the address of that one of the joint holders whose name stands first in the Register in respect of such joint holding), or in accordance with any special instructions regarding communications and New Securicor shall not be responsible for any loss in transmission.

5. Mandates

Each mandate in force on the Record Date relating to the payment of dividends on Scheme Stock shall, unless and until revoked, be deemed as from the Effective Date to be a valid and effective mandate to New Securicor in relation to dividends on the corresponding New Securicor Ordinary Shares to be issued pursuant to this Scheme.

6. Certificates representing Scheme Stock

On and from the Effective Date all certificates representing holdings of Scheme Stock shall cease to have effect and every holder of Scheme Stock shall be bound on the request of Security Services to deliver up to Security Services the certificate for his holding thereof.

7. Effective Date

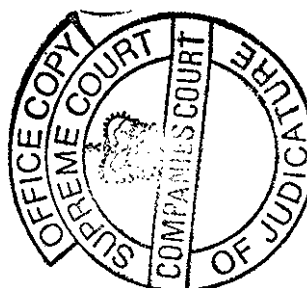
This Scheme shall become effective as soon as an office copy of the Order of the Court confirming under section 137(1) of the Companies Act 1985 the reduction of capital provided for by Clause 1 of this Scheme and sanctioning this Scheme under Section 425 of the Companies Act 1985 shall have been duly registered by the Registrar of Companies.

Unless this Scheme shall have become effective on or before 31st December, 1996 or such later date, if any, as the Court may allow, the same shall lapse.

8. Modification

Security Services, Securicor Group and New Securicor may jointly consent on behalf of all persons concerned to any modification of or addition to this Scheme or to any condition which the Court may approve or impose.

DATED the 17th day of April, 1996

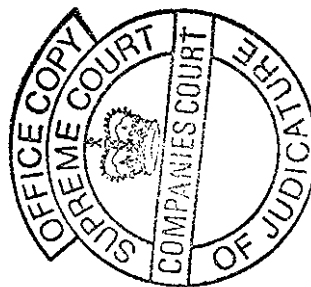
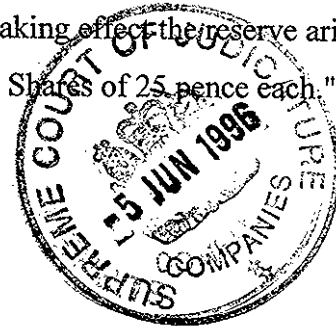


THE SECOND SCHEDULE ABOVE REFERRED TO
MINUTE APPROVED BY THE COURT

"The capital of Security Services plc was by virtue of Special Resolutions and with the sanction of an Order of the High Court of Justice dated 5th June 1996 reduced from £30,000,000 divided into 100,000 3.15 per cent Cumulative Preference Shares of £1 each, 109,615,911 Ordinary Stock Units of 25 pence each, and 9,984,089 Ordinary Shares of 25 pence each to £16,403,331 divided into 55,629,235 "X" Ordinary Shares of 25 pence each and 9,984,089 Ordinary Shares of 25 pence each.

By virtue of the said Special Resolutions and the Scheme of Arrangement sanctioned by the said Order the capital of the Company is increased upon such reduction of capital taking effect by the creation of 53,986,676 "Y" Ordinary Shares of 25 pence each and accordingly on the registration of this Minute the capital of the Company is £29,900,000 divided into 55,629,235 "X" Ordinary Shares and 53,986,676 "Y" Ordinary Shares and 9,984,089 Ordinary Shares all of 25 pence each of which all the "X" Ordinary Shares have been issued and are deemed to be fully paid and none of the remainder has been issued

It is further provided that upon the reduction of capital taking effect the reserve arising be applied in paying up in full 53,986,676 "Y" Ordinary Shares of 25 pence each."



No. 001951 of 1996

IN THE HIGH COURT OF JUSTICE

CHANCERY DIVISION

COMPANIES COURT

MR. REGISTRAR SIMMONDS

IN THE MATTER OF

SECURITY SERVICES PLC

- and -

IN THE MATTER OF THE

COMPANIES ACT 1985

ORDER

**Sanctioning Scheme of Arrangement
and Confirming Reduction of Capital**

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