

of all Encumbrances. Except as set forth in Disclosure Schedule 3.2, there are no voting trusts, proxies, or other agreements or understandings with respect to the voting of any capital stock of any of the Champion Companies. Certain transfers of the shares of or equity interests in Crucetas Mexicanas, S.A. de C.V., Frenos Hidraulicos Automotrices, S.A. de C.V., Qingdao Precision Universal Joint Company Limited and Guangzhou Champion Spark Plug Co. Ltd. are subject to rights of first refusal and the prior approval of the boards of directors of such companies.

3.3. Authorization of Transaction and Validity of Agreement Seller has all requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by the respective boards of directors of Seller, Cooper Industries (Canada) Inc., and those Affiliates of Seller which are transferring shares of the Related Companies to Buyer or its designated Affiliates and no other corporate proceedings on the part of Seller or its Affiliates are necessary to authorize this Agreement and to consummate the transactions so contemplated. This Agreement has been duly and validly executed and delivered by Seller and (assuming it is duly and validly executed by Buyer) constitutes a valid and binding agreement of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles.

3.4. Consents, Approvals and Filings. Seller and its Affiliates are not required to give any notice to, make any filing with, or obtain any material consent, authorization or approval from any Governmental Authority in connection with the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby except: (i) those set out on Disclosure Schedule 3 4; and (ii) the filings required under the Hart-Scott-Rodino Act and similar laws of foreign jurisdictions.