



SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

-----  
AMENDMENT NO. 15  
TO  
SCHEDULE 14D-1  
TENDER OFFER STATEMENT PURSUANT TO SECTION 14(d)(1)  
OF THE  
SECURITIES EXCHANGE ACT OF 1934  
-----

AMP INCORPORATED  
(NAME OF SUBJECT COMPANY)

PMA ACQUISITION CORPORATION  
A WHOLLY OWNED SUBSIDIARY OF  
ALLIEDSIGNAL INC.  
(BIDDER)

COMMON STOCK, WITHOUT PAR VALUE  
(INCLUDING THE ASSOCIATED COMMON STOCK PURCHASE RIGHTS)  
(TITLE OF CLASS OF SECURITIES)

031897101  
(CUSIP NUMBER OF CLASS OF SECURITIES)

PETER M. KREINDLER, ESQ.  
ALLIEDSIGNAL INC.  
101 COLUMBIA ROAD  
MORRISTOWN, NEW JERSEY 07692  
(973) 455-5513  
(NAME, ADDRESS AND TELEPHONE NUMBER OF PERSON AUTHORIZED TO  
RECEIVE NOTICES AND COMMUNICATIONS ON BEHALF OF BIDDERS)

COPIES TO:  
ARTHUR FLEISCHER, ESQ.  
FRIED, FRANK, HARRIS, SHRIVER & JACOBSON  
ONE NEW YORK PLAZA  
NEW YORK, NEW YORK 10004-1980  
(212) 859-8120  
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CALCULATION OF FILING FEE

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TRANSACTION VALUATION\*

AMOUNT OF FILING FEE\*\*

\$1,780,000,000

\$356,000  
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\* Based on the offer to purchase 40,000,000 shares of Common Stock of AMP Incorporated together with the associated Common Stock Purchase Rights at \$44.50 cash per share.

\*\* The amount of the filing fee calculated in accordance with Rule 0-11(d) of the Securities Exchange Act of 1934, as amended, equals 1/50th of one percent of the aggregate value of cash offered by PMA Acquisition Corporation for such number of Shares. The amount of \$1,997,590 was paid upon previous filings of this Schedule 14D-1. Accordingly, no additional fee is paid at this time and \$1,641,590 should be credited to the account of the Bidders.

[x] Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration on statement number of the form or schedule and the date of its filing.

AMOUNT PREVIOUSLY PAID: \$1,997,590 FILING PARTY: AMP Acquisition Corporation and AlliedSignal Inc.  
FORM OF REGISTRATION NO.: Schedule 14D-1 DATE FILED: August 10, 1998



This Amendment No. 15 amends the Tender Offer Statement on Schedule 14D-1 filed on August 10, 1998 as amended (the 'Schedule 14d-1'), by AlliedSignal Inc. ('Parent'), and its wholly owned subsidiary, PMA Acquisition Corporation, a Delaware corporation ('Offeror'), relating to Purchaser's offer to purchase up to an aggregate of 40,000,000 shares of Common Stock of AMP Incorporated together with the associated Common Stock Purchase Rights at \$44.50 cash per share upon the terms and subject to the conditions set forth in the Offer to Purchase, dated August 10, 1998 (the 'Offer to Purchase'), as amended and supplemented by the First Supplement to the Offer to Purchase, dated September 14, 1998 (the 'First Supplement'), and in the revised Letter of Transmittal (which, together with any amendments or supplements thereto, constitute the 'Offer'). Unless otherwise defined herein, all capitalized terms used herein shall have the respective meanings given such terms in the Offer to Purchase, the First Supplement or the Schedule 14D-1.

ITEM 1. SECURITY AND SUBJECT COMPANY.

Item 1 is hereby amended and supplemented by the following:

(c) The information set forth in Section 3 ('Price Range of Common Stock; Dividends') of the First Supplement is incorporated herein by reference.

ITEM 4. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

Item 4 is hereby amended and supplemented by the following:

(a) The information set forth in Section 4 ('Source and Amount of Funds') of the First Supplement is incorporated herein by reference.

ITEM 5. PURPOSE OF THE TENDER OFFER AND PLANS OR PROPOSALS OF THE BIDDER.

Item 5 is hereby amended and supplemented by the following:

(a) The information set forth in the Section 5 ('Background of the Offer; Contacts with the Company') of the First Supplement is incorporated herein by reference.

ITEM 10. ADDITIONAL INFORMATION.

Item 10 is hereby amended and supplemented by the following:

(b), (c) and (e) The information set forth in Section 9 ('Certain Legal Matters, Regulatory Approvals; Certain Litigation') of the First Supplement is incorporated herein by reference.

(f) The information set forth in the First Supplement and the revised Letter of Transmittal, copies of which are attached hereto as Exhibits (a) (29) and (a) (30), respectively, is incorporated herein by reference in its entirety.

ITEM 11. MATERIAL TO BE FILED AS EXHIBITS.

Item 11 is supplemented by the following:

(a)(29) First Supplement to the Offer to Purchase, dated September 14, 1998.

(a)(30) Revised Letter of Transmittal.

(a)(31) Revised Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.

(a)(32) Revised Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.

(a)(33) Press Release, dated September 14, 1998.

(a)(34) Revised Preliminary Consent Statement, dated September 14, 1998.

(a)(35) Letter from Parent to the Company relating to the Record Date.



SIGNATURE

After due inquiry and to the best of its knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: September 14, 1998

PMA ACQUISITION CORPORATION

By: /S/ PETER M. KREINDLER  
.....  
NAME: PETER M. KREINDLER  
TITLE: VICE PRESIDENT,  
SECRETARY AND DIRECTOR

ALLIEDSIGNAL INC.

By: /S/ PETER M. KREINDLER  
.....  
NAME: PETER M. KREINDLER  
TITLE: SENIOR VICE PRESIDENT,  
GENERAL COUNSEL AND SECRETARY



EXHIBIT INDEX

EXHIBIT	DESCRIPTION	PAGE NO.
(a)(29) --	First Supplement to the Offer to Purchase, dated September 14, 1998.....	
(a)(30) --	Revised Letter of Transmittal.....	
(a)(31) --	Revised Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.....	
(a)(32) --	Revised Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.....	
(a)(33) --	Press Release, dated September 14, 1998.....	
(a)(34) --	Revised Preliminary Consent Statement, dated September 14, 1998.....	
(a)(35) --	Letter from Parent to the Company relating to the Record Date.....	





FIRST SUPPLEMENT TO THE OFFER TO PURCHASE FOR CASH DATED AUGUST 10, 1998  
PMA ACQUISITION CORPORATION  
A WHOLLY OWNED SUBSIDIARY OF  
ALLIEDSIGNAL INC.  
HAS AMENDED ITS  
OFFER TO PURCHASE FOR CASH  
AND IS NOW OFFERING TO PURCHASE UP TO AN AGGREGATE OF  
40,000,000 SHARES OF COMMON STOCK  
(INCLUDING THE ASSOCIATED COMMON STOCK PURCHASE RIGHTS)  
OF  
AMP INCORPORATED  
AT  
\$44.50 NET PER SHARE OF COMMON STOCK

THE OFFER AND WITHDRAWAL RIGHTS HAVE BEEN EXTENDED. THE OFFER, WITHDRAWAL RIGHTS AND THE PRORATION PERIOD WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON FRIDAY, SEPTEMBER 25, 1998, UNLESS THE OFFER IS EXTENDED.

IMPORTANT

BECAUSE THE OFFER, AS AMENDED, CONTEMPLATES THE PURCHASE OF UP TO 40 MILLION SHARES, OFFEROR BELIEVES THAT, BASED ON THE NUMBER OF SHARES OUTSTANDING AS REPORTED IN THE COMPANY 1998 SECOND QUARTER 10-Q (AS DEFINED HEREIN), THE AMENDED BUSINESS COMBINATION CONDITION, THE AMENDED CONTROL SHARE CONDITION AND THE AMENDED RIGHTS CONDITION (EACH AS DEFINED HEREIN) WILL BE SATISFIED FOR PURPOSES OF THE OFFER. THE OFFER, AS AMENDED, IS NO LONGER SUBJECT TO THE HSR CONDITION OR THE MINIMUM CONDITION (EACH AS DEFINED IN THE OFFER TO PURCHASE). SEE SECTION 8.

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IMPORTANT

Any shareholder desiring to tender Shares (and, if applicable, Rights) should either (1) complete and sign the revised Letter of Transmittal delivered herewith or the Letter of Transmittal previously delivered by Parent and Offeror (or a facsimile thereof) in accordance with the instructions in the Letters of Transmittal, including any required signature guarantees, and mail or deliver the Letters of Transmittal (or a facsimile thereof) with the certificates for the tendered Shares and all other required documents to the Depositary or tender Shares pursuant to the procedures for book-entry transfer set forth in Section 3 of the Offer to Purchase (as defined herein), or (2) request the shareholder's broker, dealer, commercial bank, trust company or other nominee to effect the transaction for the shareholder. Shareholders having Shares registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact the broker, dealer, commercial bank, trust company or other nominee if they desire to tender Shares so registered. Shareholders will be required to tender one Right for each Share tendered in order to effect a valid tender of a Share.

TO BE VALID, A TENDER OF SHARES MUST BE ACCOMPANIED BY CERTIFICATES REPRESENTING SHARES OR THE BOOK-ENTRY TRANSFER PROCEDURES MUST BE COMPLIED WITH ON A TIMELY BASIS. SHARES MAY NOT BE TENDERED PURSUANT TO GUARANTEED DELIVERY PROCEDURES AFTER THE DATE HEREOF.

SHAREHOLDERS WHO HAVE PREVIOUSLY VALIDLY TENDERED SHARES PURSUANT TO THE INITIAL OFFER AND WHO HAVE NOT WITHDRAWN THOSE SHARES NEED NOT TAKE ANY FURTHER ACTION IN ORDER TO TENDER SHARES PURSUANT TO THE OFFER, AS AMENDED. SHAREHOLDERS WHO HAVE TENDERED SHARES ON OR PRIOR TO SEPTEMBER 11, 1998 PURSUANT TO GUARANTEED DELIVERY PROCEDURES SHOULD COMPLY WITH THE REQUIRED PROCEDURES. SEE SECTION 3 OF THE OFFER TO PURCHASE.

Questions and requests for assistance may be directed to the Information Agent or the Dealer Managers at their respective addresses and telephone numbers set forth on the back cover of this First Supplement. Additional copies of the Offer to Purchase, the Letters of Transmittal and other related materials may also be obtained from the Information Agent or from brokers, dealers, commercial banks or trust companies.

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The Dealer Managers for the Offer are:

LAZARD FRERES & CO. LLC  
-----  
GOLDMAN, SACHS & CO.

SEPTEMBER 14, 1998



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TABLE OF CONTENTS

	PAGE
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INTRODUCTION.....	1
1. Terms of the Offer; Proration; Expiration Date.....	2
2. Procedures for Tendering Shares.....	3
3. Price Range of Common Stock; Dividends.....	4
4. Source and Amount of Funds.....	4
5. Background of the Offer; Contacts with the Company.....	4
6. Purposes of the Offer and the Proposed Merger; Plans for the Company; Certain Considerations.....	5
7. Dividends and Distributions.....	6
8. Conditions of the Offer.....	7
9. Certain Legal Matters; Regulatory Approvals; Certain Litigation.....	10
10. Miscellaneous.....	11



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To: All Holders of Common Stock of AMP Incorporated.

#### INTRODUCTION

The following information amends and supplements the Offer to Purchase, dated August 10, 1998 (the 'Offer to Purchase'), of PMA Acquisition Corporation ('Offeror'), a Delaware corporation and a wholly owned subsidiary of AlliedSignal Inc., a Delaware corporation ('Parent'), pursuant to which Offeror is offering to purchase shares of common stock, without par value (the 'Shares'), of AMP Incorporated, a Pennsylvania corporation (the 'Company'), including the associated Common Stock Purchase Rights (the 'Rights'), issued pursuant to the Rights Agreement, dated as of October 25, 1989, as amended, between the Company and ChaseMellon Shareholder Services L.L.C., as Rights Agent (the 'Rights Agreement'). Unless the context otherwise requires, all references to Shares include the associated Rights, and all references to the Rights include the benefits that may inure to holders of the Rights pursuant to the Rights Agreement, including the right to receive any payment due upon redemption of the Rights.

Offeror is now offering to purchase up to an aggregate of 40,000,000 Shares at \$44.50 per Share, net to the seller in cash, without interest (the 'Offer Price'), upon the terms and subject to the conditions set forth in the Offer to Purchase, as amended by this First Supplement, and in the revised Letter of Transmittal (which, as amended from time to time, collectively constitute the 'Offer').

BECAUSE THE OFFER, AS AMENDED, CONTEMPLATES THE PURCHASE OF UP TO AN AGGREGATE OF 40,000,000 SHARES, OFFEROR BELIEVES THAT, BASED ON THE NUMBER OF SHARES OUTSTANDING AS REPORTED IN THE COMPANY 1998 SECOND QUARTER 10-Q, THE AMENDED BUSINESS COMBINATION CONDITION, THE AMENDED CONTROL SHARE CONDITION AND THE AMENDED RIGHTS CONDITION WILL BE SATISFIED FOR PURPOSES OF THE OFFER. THE OFFER, AS AMENDED, IS NO LONGER SUBJECT TO THE HSR CONDITION OR THE MINIMUM CONDITION. SEE SECTION 8.

If Offeror becomes aware that the purchase of 40,000,000 Shares would constitute the purchase of 20% or more of the outstanding Shares or if any other event occurs that would result in Offeror being the beneficial owner of 20% or more of the outstanding Shares, Offeror intends to take any action it deems appropriate or advisable, including selling Shares (whether 'short' or otherwise) in the market or tendering into any competing tender offer, so that Offeror will not be an 'Acquiring Person' under the Rights Agreement and will not trigger the applicability of the Control Share Acquisition Statute, the Business Combination Statute, or Subchapters E or I of Chapter 25 of the Pennsylvania Business Corporation Law (the 'PBCL').

Concurrently with the filing of this First Supplement, Parent is filing with the Commission a revised preliminary Consent Statement (the 'Amended Consent Solicitation') pursuant to which it is soliciting the consent of holders of Shares to two sets of proposals (the 'Proposals'). The first proposal, the 'Shareholder Rights Proposal,' if approved by the Company's shareholders, would remove from the Company Board all powers with respect to the Rights Agreement and would vest those powers in three individuals, the Rights Agreement Managing Agents. The Rights Agreement Managing Agents will cause the Rights Agreement to be amended in a number of respects, including making it inapplicable (i) to any tender or exchange offer (including the Second Offer, as defined herein) if, as a result of that offer, the offeror and its affiliates would be the beneficial owners of a majority of the outstanding Shares and (ii) to any merger (including the Proposed Merger, as defined below) if the merger either does not require shareholder approval or is approved by the requisite vote of the Company's shareholders. The Rights Agreement Managing Agents will also cause the Rights Agreement to be amended to make the Rights redeemable and to make other changes to facilitate an acquisition of the Company by any person (including Parent).

The second set of proposals, the 'Nominee Election Proposals,' if approved by the Company's shareholders, would result in the Nominees becoming a majority of the Company Board. The Nominees, if elected, intend, subject to their fiduciary duties as directors of the Company, to cause the Company to enter into an agreement providing for a merger or similar business combination (a 'Proposed Merger') with Parent providing for payment to the Company's shareholders of \$44.50 per



Share in cash. This agreement would be subject to approval by the holders of at least 66 2/3% of the outstanding Shares, unless Parent shall have previously acquired 80% or more of the outstanding Shares pursuant to the Offer and the Second Offer or otherwise. The Nominees also intend to take whatever other actions are appropriate, subject to fulfillment of their fiduciary duties as directors of the Company, to facilitate the Second Offer, including approving the Second Offer and the Proposed Merger under the Business Combination Statute.

In order to facilitate its acquisition of control of, and the entire equity interest in, the Company and to obtain a significant vote for purposes of the Amended Consent Solicitation, Parent and Offeror are hereby amending the Offer principally: (i) to reduce the aggregate number of Shares sought in the Offer to 40,000,000 Shares, approximately the maximum number of Shares (based on the number of outstanding Shares as reported in the Company 1998 Second Quarter 10-Q) that Offeror can acquire without becoming an 'Acquiring Person' under the Rights Agreement and without triggering the applicability of the Control Share Acquisition Statute, the Business Combination Statute or Subchapters E or I of Chapter 25 of the PBCL; (ii) to amend the Rights Condition, the Business Combination Condition and the Control Share Condition (each as defined in the Offer to Purchase) so that they are applicable to the Offer only and not to the consummation of the Proposed Merger; (iii) to eliminate the HSR Condition and the Minimum Condition; and (iv) to condition the Offer on there having been no material amendment made to the Rights Agreement after July 30, 1998, other than amendments publicly announced by the Company prior to September 10, 1998. See Introduction and Sections 12 and 15 of the Offer to Purchase and Section 8 of this First Supplement.

THE OFFER DOES NOT CONSTITUTE A SOLICITATION OF PROXIES OR WRITTEN CONSENTS FROM THE COMPANY'S SHAREHOLDERS. ANY SOLICITATION OF PROXIES OR WRITTEN CONSENTS WHICH PARENT OR OFFEROR MIGHT MAKE WOULD BE MADE ONLY PURSUANT TO SEPARATE PROXY OR CONSENT SOLICITATION MATERIALS COMPLYING WITH THE REQUIREMENTS OF SECTION 14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE 'EXCHANGE ACT').

Following Offeror's acceptance for payment of Shares in the Offer, Offeror intends promptly to commence another tender offer (the 'Second Offer') to purchase all outstanding Shares not owned by Offeror at a price of \$44.50 per Share, net to the seller in cash, without interest, upon essentially the same terms and subject to the same conditions set forth in the Offer to Purchase in order to acquire control of, and the entire equity interest in, the Company.

This First Supplement should be read in conjunction with the Offer to Purchase. Except as set forth in this First Supplement and the revised Letter of Transmittal, the terms and conditions previously set forth in the Offer to Purchase and the Letter of Transmittal mailed with the Offer to Purchase remain applicable in all respects to the Offer. Terms used but not defined in this First Supplement have the meanings set forth in the original Offer to Purchase.

Based upon information contained in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998 (the 'Company 1998 Second Quarter 10-Q'), as of July 27, 1998, 218,601,033 Shares were issued and outstanding. Accordingly, Parent believes that the 40,000,000 Shares for which the Offer is being made should constitute less than 20% of the outstanding Shares, which Offeror believes is less than the number of Shares that Offeror can purchase without becoming an 'Acquiring Person' under the Rights Agreement and without triggering the applicability of the Business Combination Statute, the Control Share Acquisition Statute or Subchapters E or I of Chapter 25 of the PBCL. See Sections 1, 12 and 15 of the Offer to Purchase and Section 8 of this First Supplement.

THE OFFER TO PURCHASE, THIS FIRST SUPPLEMENT AND THE REVISED LETTER OF TRANSMITTAL CONTAIN IMPORTANT INFORMATION WHICH SHOULD BE READ CAREFULLY BEFORE ANY DECISION IS MADE WITH RESPECT TO THE OFFER.

1. TERMS OF THE OFFER; PRORATION; EXPIRATION DATE. The discussion set forth in Section 1 of the Offer to Purchase is hereby amended and supplemented as follows:

Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of any extension or amendment), Offeror will accept for payment and pay for up to an aggregate of 40,000,000 Shares that are validly tendered prior to the Expiration



Date (as defined herein) and not properly withdrawn in accordance with Section 4 of the Offer to Purchase. The term 'Expiration Date' means 12:00 Midnight, New York City time, on September 25, 1998 unless and until Offeror, in its sole discretion, shall have extended the period of time during which the Offer is open, in which event the term 'Expiration Date' will mean the latest time and date at which the Offer, as so extended by Offeror, will expire.

THE OFFER IS CONDITIONED UPON SATISFACTION OF THE CONDITIONS SET FORTH IN SECTION 8 OF THIS FIRST SUPPLEMENT.

OFFEROR RESERVES THE RIGHT (SUBJECT TO THE APPLICABLE RULES AND REGULATIONS OF THE COMMISSION) TO AMEND OR WAIVE ANY TERMS AND CONDITIONS OF THE OFFER.

If more than 40,000,000 Shares are validly tendered prior to the Expiration Date and not properly withdrawn, Offeror will, upon the terms and subject to the conditions of the Offer, accept for payment and pay for only 40,000,000 Shares, on a pro rata basis, with adjustments to avoid purchases of fractional Shares, based upon the number of Shares validly tendered prior to the Expiration Date and not properly withdrawn. Because of the difficulty of determining precisely the number of Shares validly tendered and not withdrawn, if proration is required, Offeror would not expect to be able to announce the final results of proration or pay for Shares until at least three days after the Expiration Date. Preliminary results of proration will be announced by press release as promptly as practicable after the Expiration Date. Holders of Shares may obtain such preliminary information from the Information Agent and also may be able to obtain such preliminary information from their brokers.

2. PROCEDURES FOR TENDERING SHARES. The discussion set forth in Section 3 of the Offer to Purchase is hereby amended and supplemented as follows:

TO BE VALID, A TENDER OF SHARES MUST BE ACCOMPANIED BY CERTIFICATES REPRESENTING SHARES OR THE BOOK-ENTRY TRANSFER PROCEDURES MUST BE COMPLIED WITH ON A TIMELY BASIS. SEE SECTION 3 OF THE OFFER TO PURCHASE. SHARES MAY NOT BE TENDERED PURSUANT TO GUARANTEED DELIVERY PROCEDURES AFTER THE DATE OF THIS FIRST SUPPLEMENT.

The revised Letter of Transmittal distributed with this First Supplement may be used to tender Shares. Tendering shareholders also may continue to use the Letter of Transmittal previously delivered with the Offer to Purchase to tender Shares. HOWEVER, THE PROVISIONS IN THE PREVIOUSLY DISTRIBUTED LETTER OF TRANSMITTAL RELATING TO GUARANTEED DELIVERY WILL NO LONGER BE APPLICABLE TO THE OFFER. By tendering Shares pursuant to the revised Letter of Transmittal or the Letter of Transmittal previously delivered, tendering shareholders will be deemed to represent and warrant to Parent and Offeror that the tender of Shares complies with Rule 14e-4 under the Exchange Act.

SHAREHOLDERS WHO HAVE PREVIOUSLY VALIDLY TENDERED SHARES PURSUANT TO THE INITIAL OFFER AND WHO HAVE NOT WITHDRAWN THOSE SHARES NEED NOT TAKE ANY FURTHER ACTION IN ORDER TO TENDER SHARES PURSUANT TO THE OFFER, AS AMENDED. SHAREHOLDERS WHO HAVE TENDERED SHARES ON OR PRIOR TO SEPTEMBER 11, 1998 PURSUANT TO GUARANTEED DELIVERY PROCEDURES SHOULD COMPLY WITH THE REQUIRED PROCEDURES. SEE SECTION 3 OF THE OFFER TO PURCHASE.

By executing the Letter of Transmittal, a tendering shareholder irrevocably appoints designees of Offeror as the shareholder's attorneys-in-fact and proxies, each with full power of substitution, in the manner set forth in the appropriate Letter of Transmittal, to the full extent of the shareholder's right with respect to the Shares (or, if applicable, Rights) tendered by that shareholder and accepted for payment by Offeror (and any and all other Shares or other securities or rights issued or issuable in respect of these Shares on or after August 10, 1998). All powers of attorney and proxies will be considered irrevocable and coupled with an interest in the tendered Shares. This appointment is effective upon the acceptance for payment of Shares by Offeror in accordance with the terms of the Offer. Upon acceptance for payment, all prior proxies, other than any consents in favor of proposals set forth in the Consent Solicitation, given by the shareholder with respect to these Shares or other securities or rights will, without further action, be revoked and no subsequent proxies may be given or written consents executed by the shareholder (and, if given or executed, will not be deemed effective) with respect to these Shares. The designees of Offeror will, with respect to the Shares and other



securities or rights, be empowered to exercise all voting and other rights of the shareholder as they, in their sole judgment, deem proper in respect of any annual or special meeting of the Company's shareholders, or any adjournment or postponement thereof, or by written consent in lieu of any meeting or otherwise. Offeror reserves the right to require that, in order for Shares to be deemed validly tendered, immediately upon Offeror's payment for the Shares, Offeror or its designee must be able to exercise full voting and other rights with respect to the Shares and the other securities or rights issued or issuable in respect of the Shares, including the voting of Common Stock at any shareholders meeting (whether annual or special or whether or not adjourned) or written consents in lieu of any meeting or otherwise.

OFFEROR INTENDS TO VOTE ALL SHARES ACQUIRED IN THE OFFER IN FAVOR OF THE PROPOSALS.

3. PRICE RANGE OF COMMON STOCK; DIVIDENDS. The discussion set forth in Section 6 of the Offer to Purchase is hereby amended and supplemented as follows:

On September 11, 1998, the last full trading day before AlliedSignal's public announcement of its intention to amend the Offer, the last reported closing price of the Shares on the NYSE was \$39.00. SHAREHOLDERS ARE URGED TO OBTAIN A CURRENT MARKET QUOTATION FOR THE SHARES.

4. SOURCE AND AMOUNT OF FUNDS. The discussion set forth in Section 10 of the Offer to Purchase is hereby amended and supplemented as follows:

Offeror estimates that the total amount of funds now required to acquire Shares pursuant to the Offer and the Second Offer and to pay all related costs and expenses, will be approximately \$10.1 billion, of which approximately \$2.0 billion will be required to consummate the Offer and to pay related costs and expenses. Parent anticipates borrowing up to approximately \$2.0 billion by issuing commercial paper and/or engaging in either short, medium and possibly long-term borrowings, or a combination thereof, in the bank, private and public debt market to finance the acquisition of the Shares pursuant to the Offer and to pay the related costs and expenses.

5. BACKGROUND OF THE OFFER; CONTACTS WITH THE COMPANY. The discussion set forth in Section 11 of the Offer to Purchase is hereby amended and supplemented as follows:

On August 12, 1998, AlliedSignal filed preliminary materials for its consent solicitation, in which it stated that it was seeking shareholders' consent to the Nominee Proposals.

Prior to the Company's amendment of the Rights Agreement described below, the Rights Agreement had provided that, under certain circumstances, the decision to redeem the Rights required the concurrence of a majority of the members of the Company Board who were members of the Company Board prior to October 25, 1989 (the 'Continuing Directors') or their nominees (the 'Dead Hand Provision'). Parent and Offeror believed that the Dead Hand Provision was unenforceable. Accordingly, on August 4, 1998, Parent filed a complaint against the Company in the United States District Court for the Eastern District of Pennsylvania in which it sought relief declaring the Dead Hand Provision invalid.

Parent believed that the Rights Agreement, as in effect at the time the Offer commenced, would have permitted Parent to consummate a merger with the Company without triggering the dilutive effect of the Rights, so long as Parent did not acquire 20% or more of the Shares before the merger. Parent was also of the view that, if the Nominees were elected to and constituted a majority of the Company Board, the Continuing Directors could have been persuaded to redeem the Rights, in furtherance of their fiduciary duties to the Company, although there were no assurances that this would have been the case.

On August 21, 1998, the Company filed with the Commission a Solicitation/Recommendation Statement on Schedule 14D-9, which reflected the conclusion of the Company Board that Offeror's initial offer for any and all Shares was not in the best interests of the Company and its relevant constituencies and recommended to Company shareholders that they reject that offer.

In response to the Offeror's initial offer for any and all Shares and to Parent's stated intention to seek shareholder consent to the election of the Nominees, the Company Board approved, at a meeting





held on August 20, 1998, Amendment No. 3 to the Rights Agreement, which amended the Rights Agreement to provide that:

(i) unless the Rights are redeemed prior thereto, a merger or other business combination transaction will be an event triggering a Transaction Exercise Right, irrespective of whether other events have previously occurred to cause the Rights Certificates to have been distributed, (ii) the Rights shall become nonredeemable upon a change in the Board occurring at any time following receipt of an unsolicited acquisition proposal such that the disinterested directors (as such term is defined under Pennsylvania law) in office prior to the first such unsolicited acquisition proposal, together with their successors as may be approved by the Board of Directors prior to their election, no longer constitute a majority of the Board of Directors, (iii) the Qualifying Offer exception shall be applicable unless and until the Rights become nonredeemable under clause (ii) above, and (iv) the Rights Agreement generally may not be amended when the Rights are not redeemable.

The amendment to the Rights Agreement referred to above (the 'Nonredemption Provision'), which effectively replaced the Dead Hand Provision, makes the Rights non-redeemable by any directors, even 'disinterested' directors, if a majority of the Company Board are persons other than the present directors of the Company or their designees. This amendment also eliminated Parent's ability to consummate a merger without prior redemption of the Rights.

The Nonredemption Provision would remain in effect until the expiration of the Rights Agreement on November 6, 1999 and, if the Nominees are elected and constitute a majority of the Company Board, would preclude a business combination prior to November 6, 1999 by the Company with any person, including Parent, no matter what the price offered or terms specified. At the August 20, 1998 meeting, the Company Board also adopted a resolution providing that, for a period of six months after the expiration of the Rights Agreement, the Company will neither adopt nor have in place a shareholder rights plan.

Parent and Offeror believe that the Nonredemption Provision is invalid and unenforceable because it unlawfully interferes with the rights of shareholders to elect directors and unlawfully deprives directors of their ability to manage the business and affairs of the Company. Parent is amending its complaint to seek a declaration that the Nonredemption Provision is invalid and unenforceable. See Section 9 of this First Supplement.

On September 4, 1998, Parent entered into an agreement with the Company (the 'Notice Agreement'), pursuant to which Parent agreed to give at least six calendar days' notice to the Company prior to making any amendments, changes or additions (including the addition of new proposals) to the Proposals set forth in the Consent Solicitation, and pursuant to which the Company agreed to give at least six calendar days' notice to Parent prior to (i) the issuance or sale by the Company, other than in an aggregate amount not exceeding five percent of the Company's outstanding Common Stock, of any Company Common Stock; (ii) the amendment by the Company of the Company By-laws; and (iii) the amendment by the Company of the Rights Agreement. Pursuant to the agreement, Parent also agreed not to contest the Consent Solicitation record date of October 15, 1998.

Concurrently with the filing of this First Supplement, Parent is filing the Amended Consent Solicitation with the Commission. See Section 6 of this First Supplement.

6. PURPOSES OF THE OFFER AND THE PROPOSED MERGER; PLANS FOR THE COMPANY; CERTAIN CONSIDERATIONS. The discussion set forth in Section 12 of the Offer to Purchase is hereby amended and supplemented as follows:

The purposes of the Offer are for Parent, through Offeror, to acquire a significant equity interest in the Company as the first step toward a business combination of Parent and the Company and to obtain a significant vote for purposes of the Amended Consent Solicitation. Following Offeror's acceptance for payment of Shares in the Offer, Purchaser intends to commence the Second Offer to acquire control of, and the entire equity interest in, the Company. The Second Offer will be subject to essentially the same terms and conditions set forth in the Offer to Purchase, including the Minimum Condition, the Business Combination Condition, the Control Share Condition and the Rights Condition (each as defined in the Offer to Purchase).



In furtherance of its efforts to acquire control of, and the entire equity interest in, the Company, Parent intends to solicit shareholder consents to the Proposals. The first Proposal, the 'Shareholder Rights Proposal,' if approved by the Company's shareholders, would remove from the Company Board all powers with respect to the Rights Agreement and would vest those powers in three individuals, the Rights Agreement Managing Agents. The Rights Agreement Managing Agents will cause the Rights Agreement to be amended in a number of respects, including making it inapplicable (i) to any tender or exchange offer (including the Second Offer) if, as a result of the offer, the offeror and its affiliates would be the beneficial owner of a majority of the outstanding Shares and (ii) to any merger (including the Proposed Merger) if the merger either does not require shareholder approval or is approved by the requisite vote of the Company's shareholders. The Rights Agreement Managing Agents will also cause the Rights Agreement to be amended to make the Rights redeemable and to make other changes to facilitate an acquisition of the Company by any person (including Parent).

The second set of proposals, the 'Nominee Election Proposals,' if approved by the Company's shareholders, would result in the Nominees becoming a majority of the Company Board. The Nominees, if elected, intend, subject to their fiduciary duties, to cause the Company to enter into a Proposed Merger with Parent providing for payment to the Company's shareholders of \$44.50 per Share in cash. This agreement would be subject to approval by the holders of 66 2/3% of the outstanding shares of Company Common Stock, unless Parent shall have previously acquired 80% or more of the outstanding shares of Company Common Stock pursuant to the Offer and the Second Offer or otherwise. The Nominees also intend to take whatever other actions are appropriate, subject to fulfillment of their fiduciary duties as directors of the Company, to facilitate the Second Offer, including approving the Second Offer and the Proposed Merger under the Business Combination Statute.

The Company Board has fixed October 15, 1998, as the record date for the Consent Solicitation for the Nominee Election Proposals. Offeror has asked the Company to confirm that October 15, 1998 will also be the record date for the Shareholder Rights Proposal.

THE OFFER DOES NOT CONSTITUTE A SOLICITATION OF PROXIES OR WRITTEN CONSENTS FROM THE COMPANY'S SHAREHOLDERS. ANY SOLICITATION OF PROXIES OR WRITTEN CONSENTS WHICH PARENT OR OFFEROR UNDERTAKES WOULD BE MADE ONLY PURSUANT TO SEPARATE PROXY OR CONSENT SOLICITATION MATERIALS IN COMPLIANCE WITH THE REQUIREMENTS OF SECTION 14(a) OF THE EXCHANGE ACT.

7. DIVIDENDS AND DISTRIBUTIONS. The second paragraph of Section 13 of the Offer to Purchase is hereby amended in its entirety to read as follows:

If, on or after the date of the Offer to Purchase, the Company should declare or pay any dividend on the Shares, other than the regular quarterly dividend of not more than \$0.27 per Share, or make any distribution (including, without limitation, the issuance of additional Shares pursuant to a stock dividend or stock split, the issuance of other securities or the issuance of rights for the purchase of any securities) with respect to the Shares that is payable or distributable to shareholders of record on a date prior to the transfer to the name of Offeror or its nominee or transferee on the Company's share register of the Shares purchased pursuant to the Offer, then, subject to the provisions of Section 14 of the Offer to Purchase, as amended by this First Supplement, (i) in the case of any cash dividends or cash contributions, at Offeror's option, either (x) the Offer Price payable by Offeror pursuant to the Offer will be reduced by the amount of the cash dividend or cash distribution or (y) the amount of the cash dividend or cash distribution will be received and held by the tendering shareholder for the account of Offeror and will be required to be promptly remitted and transferred by each tendering shareholder to the Depositary for the account of Offeror and (ii) in the case of any non-cash dividend, distribution or right to be received by the tendering shareholders, that dividend, distribution or right will be received and held by the tendering shareholders for the account of Offeror and will be required to be promptly remitted and transferred by each tendering shareholder to the Depositary for the account of Offeror, accompanied by appropriate documentation of transfer. Pending this remittance and subject to applicable law, Offeror will be entitled to all rights and privileges as owner of any cash or non-cash dividend, distribution or right and may withhold the entire purchase price or deduct from the purchase price the amount of value thereof, as determined by Offeror in its sole discretion.



8. CONDITIONS OF THE OFFER. The discussion set forth in Section 14 of the Offer to Purchase is hereby amended in its entirety to read as follows:

Notwithstanding any other terms of the Offer, and in addition to (and not in limitation of) Offeror's rights to extend and amend the Offer at any time in its sole discretion, Offeror will not be required to accept for payment or, subject to any applicable rules and regulations of the Commission, including Rule 14e-1(c) under the Exchange Act (relating to Offeror's obligation to pay for or return tendered Shares promptly after termination or withdrawal of the Offer), pay for, and may delay the acceptance for payment of or, subject to the restriction above, the payment for, any tendered Shares, and may terminate the Offer as to any Shares not then paid for, if Offeror, in its sole discretion, determines (1) at or prior to the expiration of the Offer (i) the Rights have not been redeemed by the Company Board or Offeror is not satisfied, in its sole discretion, that the Rights have been invalidated or are otherwise inapplicable to the Offer (the 'Amended Rights Condition'); (ii) the acquisition of Shares pursuant to the Offer has not been approved pursuant to Chapter 25, Subchapter F of the PBCL (the 'Business Combination Statute') or Offeror is not satisfied, in its sole discretion, that the Business Combination Statute is invalid or otherwise inapplicable to the Offer (the 'Amended Business Combination Condition'); or (iii) Offeror has not been accorded the right to vote the Shares acquired by it pursuant to the Offer under Chapter 25, Subchapter G of the PBCL or Offeror is not satisfied that the Control Share Condition is invalid or otherwise inapplicable to the Offeror (the 'Amended Control Share Condition') or (2) at any time after July 30, 1998 and prior to the expiration of the Offer, any of the following events shall occur:

(a) there shall have been threatened, instituted or pending any action, proceeding, application or counterclaim before any court or governmental regulatory or administrative agency, authority, tribunal or commission, domestic or foreign, by any government or governmental authority or agency or commission, domestic or foreign, or by any other person, domestic or foreign (whether brought by the Company, an affiliate of the Company or any other person), which (i) challenges or seeks to challenge or make illegal the acquisition by Parent or Offeror (or any affiliate thereof) of the Shares, restrains, delays or prohibits or seeks to restrain, delay or prohibit the making of the Offer, consummation of the transactions contemplated by the Offer or any other subsequent business combination, restrains, prohibits or seeks to restrain or prohibit the performance of any of the contracts or other arrangements entered into by Offeror or any of its affiliates in connection with the acquisition of the Company or obtains or seeks to obtain any material damages or otherwise directly or indirectly relating to the transactions contemplated by the Offer, (ii) prohibits or limits or seeks to prohibit or limit Parent's or Offeror's ownership or operation of all or any portion of their or the Company's business or assets (including, without limitation, the business or assets of their respective affiliates and subsidiaries) or compels or seeks to compel Parent or Offeror to dispose of or hold separate all or any portion of their own or the Company's business or assets (including without limitation the business or assets of their respective affiliates and subsidiaries or imposes or seeks to impose any limitation on the ability of Parent, Offeror or any affiliate of either of them to conduct its own business or own the assets as a result of the transactions contemplated by the Offer or any other subsequent business combination, (iii) makes or seeks to make the acceptance for payment, purchase of, or payment for, the Shares pursuant to the Offer illegal or results in a delay in, or restricts, the ability of Parent or Offeror, or renders Parent or Offeror unable, to accept for payment, purchase or pay for some or all of the Shares or to consummate the Offer, (iv) imposes or seeks to impose limitations on the ability of Parent or Offeror or any affiliate of either of them effectively to acquire or hold or to exercise full rights of ownership of the Shares, including, without limitation, the right to vote the Shares purchased by them on an equal basis with all other Shares on all matters properly presented to the shareholders of the Company, (v) in the sole judgment of Parent or Offeror, might adversely affect the Company or any of its subsidiaries or affiliates or Parent, Offeror, or any of their respective affiliates or subsidiaries, (vi) in the sole judgment of Parent or Offeror, might result in a diminution in the value of the Shares or the benefits expected to be derived by Parent or Offeror as a result of the transactions contemplated by the Offer, (vii) in the sole judgment of Parent or Offeror, imposes or seeks to impose any material condition to the Offer unacceptable to Parent or Offeror or



(viii) otherwise directly or indirectly relates to the Offer or any other business combination with the Company;

(b) there shall be any action taken, or any statute, rule, regulation or order or injunction shall be sought, proposed, enacted, promulgated, entered, enforced or deemed or become applicable to (i) Parent, Offeror or any other affiliate of Parent or (ii) the Offer or other subsequent business combination between Parent or Offeror (or any affiliate thereof) and the Company or any affiliate of the Company or any other action shall have been taken, proposed or threatened, by any government, governmental authority or other regulatory or administrative agency or commission or court, domestic, foreign or supranational, that, in the sole judgment of Parent or Offeror, might, in each case, directly or indirectly, result in any of the consequences referred to in clauses (i) through (viii) of paragraph (a) above;

(c) any change (or any condition, event or development involving a prospective change) shall have occurred or been threatened in the business, properties, assets, liabilities, capitalization, shareholders' equity, condition (financial or otherwise), operations, licenses, franchises, permits, permit applications, results of operations or prospects of the Company or any of its subsidiaries or affiliates which, in the sole judgment of Parent or Offeror, is or may be materially adverse to the Company or any of its subsidiaries or affiliates, or Parent or Offeror shall have become aware of any fact which, in the sole judgment of Parent or Offeror, has or may have material adverse significance with respect to either the value of the Company or any of its subsidiaries or the value of the Shares to Parent, Offeror or any other affiliate thereof;

(d) there shall have occurred or been threatened (i) any general suspension of trading in, or limitation on prices for, securities on any national securities exchange or in the over-the-counter market in the United States, (ii) any extraordinary or material adverse change in the financial markets or major stock exchange indices in the United States or abroad or in the market price of Shares, (iii) any change in the general political, market, economic or financial conditions in the United States or abroad that could, in the sole judgment of Offeror, have a material adverse effect upon the business, properties, assets, liabilities, capitalization, stockholders' equity, condition (financial or otherwise), operations, licenses or franchises, results of operations or prospects of the Company or material change in United States currency exchange rates or a suspension of, or limitation on, the markets therefor, (iv) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States, (v) any limitation (whether or not mandatory) by any government, domestic, foreign or supranational, or governmental entity on, or other event that, in the sole judgment of Offeror, might affect, the extension of credit by banks or other lending institutions, (vi) a commencement of a war or armed conflict or hostilities or other national or international calamity directly or indirectly involving the United States or (vii) in the case of any of the foregoing existing at the time of the commencement of the Offer, a material acceleration or worsening thereof;

(e) other than the redemption of the Rights at the Redemption Price (as defined in Section 8 of the Offer to Purchase), the Company shall have (i) issued, distributed, pledged, sold or authorized, proposed or announced the issuance of or sale, distribution or pledge to any person of (A) any shares of its capital stock (other than sales or issuances pursuant to options outstanding on July 30, 1998 in accordance with their terms as disclosed on that date of the Shares or securities convertible into shares or any rights, warrants or options to acquire shares or convertible securities or any other securities of the Company) or (B) any other securities in respect of, in lieu of or in substitution for Shares outstanding on July 30, 1998, (ii) purchased, acquired or otherwise caused a reduction in the number of, or proposed or offered to purchase, acquire or otherwise reduce the number of, any outstanding Shares or other securities, (iii) declared, paid or proposed to declare or pay any dividend or distribution on Shares (other than regular quarterly dividends on the Shares not in excess of \$0.27 per Share, and with record and payment dates, in accordance with recent practice) or on any other security or issued, authorized, recommended or proposed the issuance or payment of any other distribution in respect of the Shares whether payable in cash, securities or other property, (iv) altered or proposed to alter any material term of any outstanding security, (v) incurred any debt other than in the ordinary course of business and consistent with past practice





or any debt containing burdensome covenants, (vi) issued, sold or authorized or announced or proposed the issuance of or sale to any person of any debt securities or any securities convertible into or exchangeable for debt securities or any rights, warrants or options entitling the holder thereof to purchase or otherwise acquire any debt securities or incurred or announced its intention, to incur any debt other than in the ordinary course of business and consistent with past practice, (vii) split, combined or otherwise changed, or authorized or proposed the split, combination or other change of the Shares or its capitalization, (viii) authorized, recommended, proposed or entered into or publicly announced its intent to enter into any consolidation, liquidation, dissolution, acquisition or disposition of a material amount of assets or securities, any material change in its capitalization, any waiver, release or relinquishment of any material contract rights or comparable right of the Company or any of its subsidiaries or any agreement contemplating any of the foregoing or any comparable event not in the ordinary course of business, or taken any action to implement any transaction previously authorized, recommended, proposed or publicly announced, (ix) after September 10, 1998, transferred into escrow any amounts required to fund any existing benefit, employment or severance agreements with any of its employees or entered into any employment, severance or similar agreement, arrangement or plan with any of its employees other than in the ordinary course of business and consistent with past practice or entered into or amended any agreements, arrangements or plans so as to provide for increased benefits to the employees as a result of or in connection with the transactions contemplated by the Offer or any other change in control of the Company, (x) except as may be required by law, taken any action to terminate or amend any employee benefit plan (as defined in Section 3(2) of ERISA) of the Company, or Parent or Offeror shall have become aware of any action which was not previously disclosed in publicly available filings, (xi) except as contemplated by the Offer, amended or proposed or authorized any amendment to its articles of incorporation or bylaws or similar organizational documents, (xii) authorized, recommended, proposed or entered into any other transaction that in the sole judgment of Parent or Offeror could, individually or in the aggregate, adversely affect the value of the Shares to Parent or Offeror or (xiii) agreed in writing or otherwise to take any of the foregoing actions or Parent or Offeror shall have learned about any action which has not previously been publicly disclosed by the Company and also set forth in filings with the Commission;

(f) a tender or exchange offer for any Shares shall be made or publicly proposed to be made by any other person (including the Company or any of its subsidiaries or affiliates) or it shall be publicly disclosed or Offeror shall otherwise learn that (i) any person, entity (including the Company or any of its subsidiaries) or 'group' (within the meaning of Section 13(d)(3) of the Exchange Act) shall have acquired or proposed to acquire beneficial ownership of more than 5% of any class or series of capital stock of the Company (including the Shares), through the acquisition of stock, the formation of a group or otherwise, or shall have been granted any right, option or warrant, conditional or otherwise, to acquire beneficial ownership of more than 5% of any class or series of capital stock of the Company (including the Shares) other than acquisitions for bona fide arbitrage purposes only and except as disclosed in a Schedule 13D or Schedule 13G on file with the Commission on the date of this Offer to Purchase, (ii) any such person, entity or group which, before the date of this Offer to Purchase, had filed such a Schedule with the Commission, has acquired or proposes to acquire, through the acquisition of stock, the formation of a group or otherwise, beneficial ownership of an additional 1% or more of any class or series of capital stock of the Company (including the Shares), or shall have been granted any right, option or warrant, conditional or otherwise, to acquire beneficial ownership of an additional 1% or more of any class or series of capital stock of the Company (including the Shares), (iii) any person or group shall enter into a definitive agreement or an agreement in principle or make a proposal with respect to a tender offer or exchange offer or a merger, consolidation or other business combination with or involving the Company or (iv) any person shall file a Notification and Report Form under the Hart-Scott-Rodino Act or make a public announcement reflecting an intent to acquire the Company or any assets or securities of the Company;

(g) the Company and Parent or Offeror shall have reached an agreement or understanding that the Offer be terminated or amended or Parent or Offeror (or one of their respective affiliates)



shall have entered into a definitive agreement or an agreement in principle to acquire the Company by merger or similar business combination;

(h) Parent or Offeror shall become aware (i) that any material contractual right of the Company or any of its subsidiaries or affiliates shall be impaired or otherwise adversely affected or that any material amount of indebtedness of the Company or any of its subsidiaries shall become accelerated or otherwise become due prior to its stated due date, in either case with or without notice or the lapse of time or both, as a result of the transactions contemplated by the Offer, (ii) of any covenant, term or condition in any of the Company's or any of its subsidiaries' instruments or agreements that are or may be materially adverse to the value of the Shares in the hands of Offeror or any other affiliate of Parent (including, but not limited to, any event of default that may ensue as a result of the consummation of the Offer or any other business combination or the acquisition of control of the Company) or (iii) other than amendments publicly announced by the Company prior to September 10, 1998, the Rights Agreement shall have been amended in any material respect; or

(i) Parent or Offeror shall not have obtained any waiver, consent, extension, approval, action or non-action from any governmental authority or agency which in its judgment is necessary to consummate the Offer,

which, in the sole judgment of Parent or Offeror in any case, and regardless of the circumstances (including any action or inaction by Parent or Offeror or any of their affiliates) giving rise to any condition, makes it inadvisable to proceed with the Offer and/or with acceptance for payment or payment for Shares.

The foregoing conditions are for the sole benefit of Parent and Offeror and may be asserted by Parent and Offeror in their sole discretion regardless of the circumstances giving rise to any conditions or may be waived by Parent or Offeror in their sole discretion in whole or in part at any time and from time to time. The failure by Parent or Offeror at any time to exercise any of the foregoing rights will not be deemed a waiver of any right and each right shall be deemed an ongoing right which may be asserted at any time and from time to time. Any determination by Parent or Offeror concerning any condition or event described in this Section 14 shall be final and binding upon all parties.

If the Offeror makes a material change in the terms of the Offer or the information concerning the Offer or waives a material condition of the Offer without relying on the exercise of its reasonable judgment or some other objective criteria, the Offeror will disseminate additional tender offer materials and extend the Offer to the extent required by Rules 14d-4(c), 14d-6(d) and 14e-1 of the Exchange Act.

BECAUSE THE OFFER, AS AMENDED, CONTEMPLATES THE PURCHASE OF UP TO AN AGGREGATE OF 40,000,000 SHARES, OFFEROR BELIEVES THAT, BASED ON THE NUMBER OF SHARES OUTSTANDING AS REPORTED IN THE COMPANY 1998 SECOND QUARTER 10-Q, THE AMENDED BUSINESS COMBINATION CONDITION, THE AMENDED CONTROL SHARE CONDITION AND THE AMENDED RIGHTS CONDITION WILL BE SATISFIED FOR PURPOSES OF THE OFFER.

9. CERTAIN LEGAL MATTERS; REGULATORY APPROVALS; CERTAIN LITIGATION. The discussion set forth in Section 15 of the Offer to Purchase is hereby amended and supplemented as follows:

CERTAIN LITIGATION. On August 4, 1998, Parent filed a complaint against the Company in the Eastern District of Pennsylvania, styled AlliedSignal Inc. v. AMP Incorporated, C.A. No. 98-CV-4058 (JTG) (the 'AlliedSignal Complaint'), which is now being amended as set forth below.

On August 21, 1998, the Company filed a complaint against Parent and Offeror in the Eastern District of Pennsylvania styled AMP Incorporated v. AlliedSignal Corporation and PMA Acquisition Corporation, C.A. No. 98-CV-4405 (the 'Company Action'). The complaint seeks: (i) declaratory relief declaring that the proposals set forth in Parent's consent solicitation are contrary to Pennsylvania law because Parent's Nominees 'could not fulfill their fiduciary duties both to [Parent] and its shareholders and to [the Company]'; and (ii) injunctive relief prohibiting Parent from (a) soliciting consents, (b) pursuing the initial Offer, and (c) soliciting any consents unless full and accurate disclosure is made regarding the nature of Parent's proposals. Parent and Offeror believe there is no merit to the Company's allegations and intend to vigorously defend themselves against this lawsuit.

On August 24, 1998, the Company filed an Answer to the AlliedSignal Complaint denying Parent's contentions and asserting as affirmative defenses that (i) the AlliedSignal Complaint fails to state a



claim for which relief may be granted, (ii) Parent does not have standing to bring the claims and (iii) the claims are moot because the Rights Agreement has been amended and the 'Dead Hand Provision' has been removed.

On September 11, 1998, in the Company Action, the Company filed a motion for Partial Summary Judgment in the Nature of a Declaratory Judgment seeking a declaration that Parent's consent solicitation plan is 'unlawful and in violation of Pennsylvania law and public policy' on the ground that allegedly Parent's 'plan to pack AMP's Board [with Parent's nominees] will created a pervasive and irreconcilable conflict of interest -- one that is abhorrent to the law and public policy of the Commonwealth.' The Company requested that the hearing on that motion be scheduled to be heard on September 28, 1998.

Parent is filing a motion to amend the AlliedSignal Complaint (the 'Amended Complaint'). The Amended Complaint will seek: (i) declaratory and injunctive relief declaring the Nonredemption Provision invalid under Pennsylvania law; or to the extent that the Nonredemption Provision and other anti-takeover devices that preclude tender offers and consent solicitations are permitted under Pennsylvania law, declaring this law as so applied unconstitutional under the Supremacy and Commerce Clauses of the United States Constitution and (ii) declaratory and injunctive relief prohibiting any effort by the Company Board to manipulate or otherwise subvert the process of corporate democracy by (a) amending the Company By-laws, (b) taking advantage of the delay of the Record Date until October 15, 1998, to manipulate the corporate machinery or thwart or interfere with the Offer or the Amended Consent Solicitation, or (c) taking any other action to frustrate the Offer or the Amended Consent Solicitation.

Parent is also filing a motion for (1) partial summary judgment on its claim for a declaratory judgment in the Amended Complaint that the Nonredemption Provision is ultra vires and invalid, or, in the alternative, a preliminary injunction restraining enforcement of the Nonredemption Provision; and (2) a preliminary injunction prohibiting the Company Board from amending the Company By-laws or Rights Agreement or taking any other action that would, as a practical matter, make the shareholder vote on the Amended Consent Solicitation meaningless. Parent will request that its motion be heard on the same date on which the Court schedules the hearing on the Company's motion in the Company Action.

10. MISCELLANEOUS. Parent and Offeror have filed with the Commission amendments to the Schedule 14D-1, together with exhibits, pursuant to Rule 14d-3 of the General Rules and Regulations under the Exchange Act, furnishing certain additional information with respect to the Offer. The Schedule 14D-1, and any amendments thereto, may be inspected at, and copies may be obtained from, the same places and in the same manner as set forth in Section 9 of the Offer to Purchase (except that they may not be available at the regional offices of the Commission).

September 14, 1998

PMA ACQUISITION CORPORATION  
ALLIEDSIGNAL INC.



Facsimile copies of the Letters of Transmittal, properly completed and duly executed, will be accepted. The Letters of Transmittal, certificates for Shares and any other required documents should be sent or delivered by each shareholder of the Company or his broker, dealer, commercial bank, trust company or other nominee to the Depository at one of its addresses set forth below:

The Depository for the Offer is:  
THE BANK OF NEW YORK

By Mail:  
Tender & Exchange Department  
P.O. Box 11248  
Church Street Station  
New York, N.Y. 10286-1248

By Facsimile:  
(For Eligible Institutions Only)  
(212) 815-6213

Confirm by telephone:  
1-800-507-9357

By Hand/Overnight Courier:  
Tender & Exchange Department  
101 Barclay Street  
Receive and Deliver Window  
New York, N.Y. 10286

Questions and requests for assistance may be directed to the Information Agent or the Dealer Manager, at their respective addresses and telephone numbers set forth below. Additional copies of this First Supplement, the Offer to Purchase, the Letters of Transmittal and other tender offer materials may be obtained from the Information Agent as set forth below, and will be furnished promptly at Offeror's expense. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

The Information Agent for the Offer is:

MORROW & CO., INC.

445 Park Avenue  
5th Floor  
New York, New York 10022  
Toll Free (800) 566-9061

Banks and Brokerage Firms, please call:  
(800) 662-5200

The Dealer Managers for the Offer are:

LAZARD FRERES & CO. LLC  
30 Rockefeller Plaza  
New York, New York 10020  
(212) 632-6717 (call collect)

GOLDMAN, SACHS & CO.  
85 Broad Street  
New York, New York 10004  
(800) 323-5678





LETTER OF TRANSMITTAL  
TO TENDER SHARES OF COMMON STOCK  
(INCLUDING THE ASSOCIATED COMMON STOCK PURCHASE RIGHTS)  
OF  
AMP INCORPORATED  
PURSUANT TO THE OFFER TO PURCHASE  
DATED AUGUST 10, 1998  
AS AMENDED AND SUPPLEMENTED  
BY THE FIRST SUPPLEMENT  
DATED SEPTEMBER 14, 1998  
BY  
PMA ACQUISITION CORPORATION  
A WHOLLY OWNED SUBSIDIARY OF  
ALLIEDSIGNAL INC.

-----  
THE OFFER AND WITHDRAWAL RIGHTS HAVE BEEN EXTENDED. THE OFFER, WITHDRAWAL  
RIGHTS AND PRORATION PERIOD WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME,  
ON FRIDAY, SEPTEMBER 25, 1998, UNLESS THE OFFER IS EXTENDED.  
-----

The Depositary:

THE BANK OF NEW YORK

By Mail:  
Tender & Exchange Department  
P.O. Box 11248  
Church Street Station  
New York, N.Y. 10286-1248

By Facsimile:  
(For Eligible Institutions Only)  
(212) 815-6213  
Confirm by telephone:  
1-800-507-9357

By Hand/Overnight Courier:  
Tender & Exchange Department  
101 Barclay Street  
Receive and Deliver Window  
New York, N.Y. 10286

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS, OR TRANSMISSION OF  
INSTRUCTIONS BY FACSIMILE, OTHER THAN AS SET FORTH ABOVE, DOES NOT CONSTITUTE A  
VALID DELIVERY. YOU MUST SIGN THIS LETTER OF TRANSMITTAL IN THE APPROPRIATE  
SPACE THEREFOR PROVIDED BELOW AND COMPLETE THE SUBSTITUTE FORM W-9 SET FORTH  
BELOW.

THE INSTRUCTIONS ACCOMPANYING THIS LETTER OF TRANSMITTAL SHOULD BE READ  
CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.

This Letter of Transmittal or the Letter of Transmittal previously  
delivered to shareholders is to be used either if certificates for Shares and,  
if applicable, Rights (as such terms are defined below) are to be forwarded  
herewith or, unless an Agent's Message (as defined below) is utilized, if  
delivery of Shares and, if applicable, Rights is to be made by book-entry  
transfer (in the case of Rights, if available) to an account maintained by the  
Depositary at a Book-Entry Transfer Facility (as defined in Section 2 of the  
Offer to Purchase, dated August 10, 1998 (the 'Offer to Purchase')) and pursuant  
to the procedures set forth in Section 3 of the Offer to Purchase, as amended,  
by the First Supplement to the Offer to Purchase, dated September 14, 1998 (the  
'First Supplement') or delivery of Shares is to be made using DRS (as defined  
below). UNLESS THE AMENDED RIGHTS CONDITION (AS DEFINED IN THE FIRST SUPPLEMENT)  
IS SATISFIED, SHAREHOLDERS WILL BE REQUIRED TO TENDER ONE RIGHT FOR EACH SHARE  
TENDERED IN ORDER TO EFFECT A VALID TENDER OF SHARES. UNLESS THE DISTRIBUTION  
DATE (AS DEFINED IN THE OFFER TO PURCHASE) OCCURS, A TENDER OF SHARES WILL ALSO  
CONSTITUTE A TENDER OF THE ASSOCIATED RIGHTS.

SHAREHOLDERS WHO HAVE PREVIOUSLY VALIDLY TENDERED SHARES PURSUANT TO THE  
INITIAL OFFER AND WHO HAVE NOT WITHDRAWN THOSE SHARES NEED NOT TAKE ANY FURTHER  
ACTION IN ORDER TO TENDER SHARES PURSUANT TO THE OFFER, AS AMENDED. SHAREHOLDERS  
WHO HAVE TENDERED SHARES ON OR PRIOR TO SEPTEMBER 11, 1998 PURSUANT TO  
GUARANTEED DELIVERY PROCEDURES SHOULD COMPLY WITH THE REQUIRED PROCEDURES. SEE  
SECTION 3 OF THE OFFER TO PURCHASE.

SHARES MAY NOT BE TENDERED PURSUANT TO GUARANTEED DELIVERY PROCEDURES AFTER  
SEPTEMBER 14, 1998.

DELIVERY OF DOCUMENTS TO A BOOK-ENTRY TRANSFER FACILITY DOES NOT CONSTITUTE  
DELIVERY TO THE DEPOSITARY.











NOTE: SIGNATURES MUST BE PROVIDED BELOW  
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

CHECK HERE IF TENDERED SHARES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER TO  
THE DEPOSITARY'S ACCOUNT AT ONE OF THE BOOK-ENTRY TRANSFER FACILITIES AND  
COMPLETE THE FOLLOWING:

Name of Tendering Institution .....

Account No. .... at

The Depository Trust Company

Transaction Code No. ....





Ladies and Gentlemen:

The undersigned hereby tenders to PMA Acquisition Corporation, a Delaware corporation (the 'Offeror'), a wholly owned subsidiary of AlliedSignal Inc., a Delaware corporation (the 'Parent'), the above-described shares of Common Stock, without par value (the 'Shares'), of AMP Incorporated, a Pennsylvania corporation (the 'Company'), together with an equal number of any associated Common Stock Purchase Rights (the 'Rights') issued pursuant to the Rights Agreement, as amended (the 'Rights Agreement'), between the Company and ChaseMellon Shareholder Services L.L.C., as Rights Agent, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated August 10, 1998 (the 'Offer to Purchase'), as amended by the First Supplement to the Offer of Purchase, dated September 14, 1998 (the 'First Supplement') and in this Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constitute the 'Offer'), receipt of which is hereby acknowledged.

Upon the terms of the Offer, subject to, and effective upon, acceptance for payment of, and payment for, the Shares and, if applicable, Rights tendered herewith in accordance with the terms of the Offer, the undersigned hereby sells, assigns and transfers to, or upon the order of, the Offeror all right, title and interest in and to all the Shares and, if applicable, Rights that are being tendered hereby (and any and all other Shares, Rights or other securities or rights issued or issuable in respect thereof on or after August 10, 1998), and irrevocably constitutes and appoints The Bank of New York (the 'Depository'), the true and lawful agent and attorney-in-fact of the undersigned, with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest), to the full extent of the undersigned's rights with respect to such Shares and, if applicable, Rights (and any such other Shares, Rights or securities or rights), to (a) deliver certificates for such Shares and Rights (and any such other Shares, Rights or securities or rights) or transfer ownership of such Shares and Rights (and any such other Shares, Rights or securities or rights) on the account books maintained by a Book-Entry Transfer Facility together, in any such case, with all accompanying evidences of transfer and authenticity to, or upon the order of, the Offeror, (b) in the case of participants in the Direct Registration System ('DRS'), to place a stop against the Shares held under DRS and, following expiration of the Offer, to instruct the Transfer Agent to transfer such Shares, (c) present such Shares and Rights (and any such other Shares, Rights or securities or rights) for transfer on the Company's books and (d) receive all benefits and otherwise exercise all rights of beneficial ownership of such Shares and Rights (and any such other Shares, Rights or securities or rights), all in accordance with the terms of the Offer.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the tendered Shares and, if applicable, Rights (and any and all other Shares, Rights or other securities or rights issued or issuable in respect of such Shares or Rights on or after August 10, 1998) and, when the same are accepted for payment by the Offeror, the Offeror will acquire good title thereto, free and clear of all liens, restrictions, claims and encumbrances, and the same will not be subject to any adverse claim. The undersigned will, upon request, execute any additional documents deemed by the Depository or the Offeror to be necessary or desirable to complete the sale, assignment and transfer of the tendered Shares and Rights (and any and all other Shares, Rights or other securities or rights issued or issuable in respect thereof on or after August 10, 1998).

THE UNDERSIGNED UNDERSTANDS THAT, UNLESS THE AMENDED RIGHTS CONDITION (AS DEFINED IN THE FIRST SUPPLEMENT) IS SATISFIED, SHAREHOLDERS WILL BE REQUIRED TO TENDER ONE RIGHT FOR EACH SHARE TENDERED IN ORDER TO EFFECT A VALID TENDER OF SHARES IN ACCORDANCE WITH THE PROCEDURES SET FORTH IN SECTION 3 OF THE OFFER TO PURCHASE, AS AMENDED. If the Distribution Date occurs and separate certificates representing the Rights are distributed to holders of Shares prior to the time Shares are tendered herewith, certificates representing a number of Rights equal to the number of Shares being tendered herewith must be delivered to the Depository or, if available, a Book-Entry Confirmation must be received by the Depository with respect thereto, in order for such Shares tendered herewith to be validly tendered. If the Distribution Date occurs and separate certificates representing the Rights are not distributed prior to the time Shares are tendered herewith, a tender of Shares constitutes an agreement by the tendering shareholder to deliver certificates representing a



number of Rights equal to the number of Shares tendered pursuant to the Offer to the Depository within a period ending three New York Stock Exchange trading days after the date certificates representing the Rights are distributed, or a Book-Entry Confirmation with respect to Rights (the 'Rights Delivery Period'). However, after expiration of the Rights Delivery Period, the Offeror may elect to reject as invalid a tender of Shares with respect to which certificates for, or a Book-Entry Confirmation with respect to, an equal number of Rights has not been received by the Depository. Nevertheless, Offeror will be entitled to accept for payment Shares tendered by the undersigned prior to the receipt of the certificates for the Rights required to be tendered with such Shares, or a Book-Entry Confirmation with respect to such Rights, and either (a), subject to complying with the applicable rules and regulations of the Securities and Exchange Commission, withhold payment for such Shares pending receipt of the certificates for, or a Book-Entry Confirmation with respect to, such Rights or (b) make payment for Shares accepted for payment pending receipt of the certificates for, or a Book-Entry Confirmation with respect to, such Rights in reliance upon the agreement of a tendering shareholder to deliver Rights. Any determination by the Offeror to make payment for Shares in reliance upon such agreement or, after the expiration of the Rights Delivery Period, to reject a tender as invalid will be made in the sole and absolute discretion of the Offeror.

All authority conferred or agreed to be conferred pursuant to this Letter of Transmittal shall be binding upon the successors, assigns, heirs, executors, administrators and legal representatives of the undersigned and shall not be affected by, and shall survive, the death or incapacity of the undersigned. Except as stated in the Offer to Purchase, as amended, this tender is irrevocable.

The undersigned hereby irrevocably appoints designees of Offeror as the attorneys-in-fact and proxies, each with full power of substitution, to the full extent of the shareholder's right with respect to the Shares (or, if applicable, Rights) tendered by the undersigned and accepted for payment by Offeror (and any and all other Shares or other securities or rights issued or issuable in respect of these Shares on or after August 10, 1998). All powers of attorney and proxies will be considered irrevocable and coupled with an interest in the tendered Shares. This appointment is effective upon the acceptance for payment of Shares by Offeror in accordance with the terms of the Offer. Upon acceptance for payment, all prior proxies, other than any consents in favor of proposals set forth in the Consent Solicitation given by the undersigned with respect to these Shares or other securities or rights will, without further action, be revoked and no subsequent proxies may be given or written consents executed by the undersigned (and, if given or executed, will not be deemed effective) with respect to these Shares. The designees of Offeror will, with respect to the Shares and other securities or rights, be empowered to exercise all voting and other rights of the undersigned as they, in their sole judgment, deem proper in respect of any annual or special meeting of the Company's shareholders, or any adjournment or postponement thereof, or by written consent in lieu of any meeting or otherwise. Offeror reserves the right to require that, in order for Shares to be deemed validly tendered, immediately upon Offeror's payment for the Shares, Offeror or its designee must be able to exercise full voting and other rights with respect to the Shares and the other securities or rights issued or issuable in respect of the Shares, including the voting of Common Stock at any shareholders meeting (whether annual or special or whether or not adjourned) or written consents in lieu of any meeting or otherwise.

The undersigned understands that the valid tender of Shares and, if applicable, Rights pursuant to any of the procedures described in Section 3 of the Offer to Purchase, as amended, and in the Instructions hereto, will constitute a binding agreement between the undersigned and the Offeror upon the terms and subject to the conditions of the Offer. Without limiting the foregoing, if the price to be paid in the Offer is amended in accordance with the Offer, the price to be paid to the undersigned will be the amended price notwithstanding the fact that a different price is stated in this Letter of Transmittal.

Unless otherwise indicated herein under 'Special Payment Instructions', please issue the check for the purchase price and/or return any certificates for Shares or Rights not tendered or accepted for payment in the name(s) of the registered holder(s) appearing under 'Description of Shares Tendered' and 'Description of Rights Tendered', respectively. Similarly, unless otherwise indicated under 'Special Delivery Instructions', please mail the check for the purchase price and/or return any certificates for Shares or Rights not tendered or accepted for payment (and accompanying documents, as appropriate)



to the address(es) of the registered holder(s) appearing under 'Description of Shares Tendered' and 'Description of Rights Tendered', respectively. In the event that both the Special Delivery Instructions and the Special Payment Instructions are completed, please issue the check for the purchase price and/or return any certificates for Shares or Rights not tendered or accepted for payment (and any accompanying documents, as appropriate) in the name of, and deliver such check and/or return such certificates (and any accompanying documents, as appropriate) to, the person or persons so indicated. Unless otherwise indicated herein under 'Special Payment Instructions', please credit any Shares and Rights tendered herewith by book-entry transfer that are not accepted for payment by crediting the account at the Book-Entry Transfer Facility designated above. The undersigned recognizes that the Offeror has no obligation pursuant to the Special Payment Instructions to transfer any Shares or Rights from the name of the registered holder thereof if the Offeror does not accept for payment any of the Shares or Rights, respectively, so tendered.

-----  
SPECIAL PAYMENT INSTRUCTIONS  
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if the check for the purchase price of Shares or Rights purchased or certificates for Shares or Rights not tendered or not purchased are to be issued in the name of someone other than the undersigned, or if Shares or Rights tendered by book-entry transfer that are not purchased are to be returned by credit to an account at one of the Book-Entry Transfer Facilities other than that designated above.

Issue check and/or certificates to:

Name .....  
(PLEASE PRINT)

Address .....  
(INCLUDING ZIP CODE)

.....  
(TAXPAYER IDENTIFICATION NO.)

(SEE SUBSTITUTE FORM W-9)

[ ] Credit unpurchased Shares or Rights tendered by book-entry transfer to the account set forth below:

.....  
NAME OF ACCOUNT PARTY

.....  
ACCOUNT NO.

[ ] The Depository Trust Company

-----  
SPECIAL DELIVERY INSTRUCTIONS  
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if the check for the purchase price of Shares or Rights purchased or certificates for Shares or Rights not tendered or not purchased are to be mailed to someone other than the undersigned or to the undersigned at an address other than that shown below the undersigned's signature(s).

Mail check and/or certificates to:

Name .....  
(PLEASE PRINT)

Address .....  
(INCLUDING ZIP CODE)

.....  
(TAXPAYER IDENTIFICATION NO.)  
-----



-----  
SIGN HERE

(COMPLETE SUBSTITUTE FORM W-9 BELOW)

.....  
.....  
SIGNATURE(S) OF OWNER(S)

.....  
Name(s) .....

.....  
Capacity (full title) .....

Address .....

.....  
.....  
(INCLUDING ZIP CODE)

Area Code and Telephone Number .....

Taxpayer Identification Number .....

Dated: ....., 1998

(Must be signed by registered holder(s) exactly as name(s) appear(s) on stock certificate(s) or on a security position listing or by the person(s) authorized to become registered holder(s) by certificates and documents transmitted herewith. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, agent, officer of a corporation or other person acting in a fiduciary or representative capacity, please set forth full title and see Instruction 5).

If a participant in the Direct Registration System ('DRS'), the person(s) signing above hereby directs the Transfer Agent to place a stop against the aforementioned number of Shares held through DRS pending the expiration of the Offer. Upon expiration of the Offer, the Transfer Agent is further directed to follow the directions for delivery to the Depository.

GUARANTEE OF SIGNATURE(S)  
(SEE INSTRUCTIONS 1 AND 5)

FOR USE BY FINANCIAL INSTITUTIONS ONLY. PLACE MEDALLION GUARANTEE IN SPACE BELOW.

Authorized signature(s) .....

Name .....

Name of Firm .....

Address .....

.....  
.....  
(INCLUDING ZIP CODE)

Area Code and Telephone Number .....

Dated: ....., 1998  
-----





-----  
PAYOR'S NAME: THE BANK OF NEW YORK  
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SUBSTITUTE

PART 1 -- PLEASE PROVIDE YOUR TIN IN THE BOX AT  
RIGHT AND CERTIFY BY SIGNING AND DATING BELOW

PART III -- Social Security Number  
or Employer Identification  
Number \_\_\_\_\_  
(If awaiting TIN write 'Applied For')

FORM W-9  
DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE

PAYOR'S REQUEST  
FOR TAXPAYER  
IDENTIFICATION  
NUMBER ("TIN")

-----  
PART II -- For Payees exempt from backup withholding, see the enclosed Guidelines for  
Certification of Taxpayer Identification Number on Substitute Form W-9 and complete as  
instructed therein.

Certification -- Under penalties of perjury, I certify that:

- (1) The number shown on this form is my correct TIN (or I am waiting for a number to  
be issued to me); and
- (2) I am not subject to backup withholding either because I have not been notified by  
the Internal Revenue Service (IRS) that I am subject to backup withholding as a result  
of a failure to report all interest or dividends, or the IRS has notified me that  
I am no longer subject to backup withholding.

CERTIFICATION INSTRUCTIONS -- You must cross out Item (2) above if you have been  
notified by the IRS that you are subject to backup withholding because of  
underreporting interest or dividends on your tax return. However, if after being  
notified by the IRS that you were subject to backup withholding, you received another  
notification from the IRS that you were no longer subject to backup withholding, do  
not cross out item (2). (Also see instructions in the enclosed Guidelines).

-----  
SIGNATURE ..... DATE .....

-----  
NOTE: FAILURE TO COMPLETE AND RETURN THIS SUBSTITUTE FORM W-9 MAY RESULT IN  
BACKUP WITHHOLDING OF 31% OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE  
OFFER. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER  
IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU ARE AWAITING YOUR TIN.

-----  
CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a TIN has not been issued to me,  
and either (1) I have mailed or delivered an application to receive a TIN to the  
appropriate IRS Center or Social Security Administration Office or (2) I intend  
to mail or deliver an application in the near future. I understand that if I do  
not provide a TIN by the time of payment, 31% of all payments pursuant to the  
Offer made to me thereafter will be withheld until I provide a number.

Signature ..... Date .....



INSTRUCTIONS  
FORMING PART OF THE TERMS AND CONDITIONS OF THE OFFER

1. GUARANTEE OF SIGNATURES.

No signature guarantee is required on this Letter of Transmittal (a) if this Letter of Transmittal is signed by the registered holder(s) (which term, for purposes of this Section, includes any participant in any of the Book-Entry Transfer Facilities' systems whose name appears on a security position listing as the owner of the Shares) of Shares and Rights tendered herewith, unless such registered holder(s) has completed either the box entitled 'Special Payment Instructions' or the box entitled 'Special Delivery Instructions' on the Letter of Transmittal or (b) if such Shares and Rights are tendered for the account of a financial institution (including most commercial banks, savings and loan associations and brokerage houses) that is a participant in the Security Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Guarantee Program or the Stock Exchange Medallion Program (an 'Eligible Institution'). In all other cases, all signatures on this Letter of Transmittal must be guaranteed by an Eligible Institution. See Instruction 5.

2. DELIVERY OF LETTER OF TRANSMITTAL AND SHARES.

This Letter of Transmittal is to be completed by shareholders either if certificates are to be forwarded herewith or, unless an Agent's Message is utilized, if delivery of Shares and, if applicable, Rights is to be made pursuant to the procedures for book-entry transfer set forth in Section 3 of the Offer to Purchase or if delivery of Shares is to be made pursuant to DRS. For a shareholder validly to tender Shares and Rights pursuant to the Offer, a properly completed and duly executed Letter of Transmittal (or facsimile thereof), together with any required signature guarantees, or, in the case of a book-entry transfer, an Agent's Message, and any other required documents, must be received by the Depository at one of its addresses set forth herein prior to the Expiration Date and either certificates for tendered Shares and Rights must be received by the Depository at one of such addresses or Shares and Rights must be delivered pursuant to the procedures for book-entry transfer set forth herein (and a Book-Entry Confirmation received by the Depository), in each case prior to the Expiration Date.

UNLESS THE AMENDED RIGHTS CONDITION IS SATISFIED, SHAREHOLDERS WILL BE REQUIRED TO TENDER ONE RIGHT FOR EACH SHARE TENDERED IN ORDER TO EFFECT A VALID TENDER OF SHARES. Unless the Distribution Date occurs, a tender of Shares will also constitute a tender of the associated Rights. If the Distribution Date occurs and separate certificates representing the Rights are distributed prior to the time Shares are tendered herewith, certificates representing a number of Rights equal to the number of Shares being tendered herewith must be delivered to the Depository or, if available, a Book-Entry Confirmation must be received by the Depository with respect thereto, in order for such Shares tendered herewith to be validly tendered. If the Distribution Date occurs and separate certificates representing the Rights are not distributed prior to the time Shares are tendered herewith, a tender of Shares constitutes an agreement by the tendering shareholder to deliver certificates representing a number of Rights equal to the number of Shares tendered pursuant to the Offer to the Depository within a period ending three New York Stock Exchange trading days after the date certificates representing the Rights are distributed, or a Book-Entry Confirmation with respect to Rights. SHARES MAY NOT BE TENDERED PURSUANT TO GUARANTEED DELIVERY PROCEDURES AFTER SEPTEMBER 14, 1998.

The term 'Agent's Message' means a message, transmitted by a Book-Entry Transfer Facility to, and received by, the Depository and forming a part of a Book-Entry Confirmation, which states that such Book-Entry Transfer Facility has received an express acknowledgment from the participant in such Book-Entry Transfer Facility tendering the Shares that such participant has received and agrees to be bound by the terms of the Letter of Transmittal and that the Purchaser may enforce such agreement against the participant.

The signatures on this Letter of Transmittal cover the Shares and the Rights tendered hereby whether or not such Rights are delivered simultaneously with such Shares.

THE METHOD OF DELIVERY OF SHARES, RIGHTS, THE LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH ANY BOOK-ENTRY TRANSFER FACILITY, IS AT THE ELECTION AND RISK OF THE TENDERING SHAREHOLDER. SHARES WILL BE DEEMED DELIVERED ONLY WHEN ACTUALLY RECEIVED BY THE DEPOSITARY (INCLUDING, IN THE CASE OF A BOOK-ENTRY TRANSFER, BY BOOK-ENTRY CONFIRMATION). IF DELIVERY IS BY MAIL, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY



INSURED, IS RECOMMENDED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

No alternative, conditional or contingent tenders will be accepted and no fractional Shares or Rights will be purchased. All tendering shareholders, by execution of this Letter of Transmittal (or facsimile hereof), waive any right to receive any notice of the acceptance of their Shares or Rights for payment.

### 3. INADEQUATE SPACE.

If the space provided herein is inadequate, the certificate numbers and/or the number of Shares or Rights should be listed on a separate schedule attached hereto.

### 4. PARTIAL TENDERS (NOT APPLICABLE TO STOCKHOLDERS WHO TENDER BY BOOK-ENTRY TRANSFER).

If fewer than all the Shares or Rights evidenced by any certificate submitted are to be tendered, fill in the number of Shares or Rights that are to be tendered in the box entitled 'Number of Shares Tendered' or 'Number of Rights Tendered', as appropriate. In any such case, new certificate(s) for the remainder of the Shares or Rights that were evidenced by the old certificate(s) will be sent to the registered holder, unless otherwise provided in the appropriate box on this Letter of Transmittal, as soon as practicable after the acceptance for payment of, and payment for, the Shares and Rights tendered herewith. All Shares and Rights represented by certificates delivered to the Depository will be deemed to have been tendered unless otherwise indicated.

### 5. SIGNATURES ON LETTER OF TRANSMITTAL; STOCK POWERS AND ENDORSEMENTS.

If this Letter of Transmittal is signed by the registered holder of the Shares and Rights tendered hereby, the signature must correspond with the name as written on the face of the certificate(s) without any change whatsoever.

If any of the Shares or Rights tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.

If any tendered Shares or Rights are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of certificates.

If this Letter of Transmittal or any certificates or stock powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and proper evidence satisfactory to the Offeror of their authority so to act must be submitted.

When this Letter of Transmittal is signed by the registered owner(s) of the Shares and Rights listed and transmitted hereby, no endorsements of certificates or separate stock powers are required unless payment or certificates for Shares or Rights not tendered or accepted for payment are to be issued to a person other than the registered owner(s). Signatures on such certificates or stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered owner(s) of the certificates listed, the certificates must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name or names of the registered owner or owners appear on the certificates. Signatures on such certificates or stock powers must be guaranteed by an Eligible Institution.

### 6. STOCK TRANSFER TAXES.

The Offeror will pay any stock transfer taxes with respect to the transfer and sale of Shares or Rights to it or its order pursuant to the Offer. If, however, payment of the purchase price is to be made to, or if certificates for Shares or Rights not tendered or accepted for payment are to be registered in the name of, any person(s) other than the registered holder(s), or if tendered certificates are registered in the name(s) of any person(s) other than the person(s) signing this Letter of Transmittal, the amount of any stock transfer taxes (whether imposed on the registered holder(s) or such person(s)) payable on account of the transfer to such person(s) will be deducted from the purchase price unless satisfactory evidence of the payment of such taxes or exemption therefrom is submitted.



EXCEPT AS PROVIDED IN THIS INSTRUCTION 6, IT WILL NOT BE NECESSARY FOR TRANSFER TAX STAMPS TO BE AFFIXED TO THE CERTIFICATES LISTED IN THIS LETTER OF TRANSMITTAL.

7. SPECIAL PAYMENT AND DELIVERY INSTRUCTION.

If a check is to be issued in the name of, and/or certificates for Shares or Rights not accepted for payment are to be returned to, a person other than the signer of this Letter of Transmittal or if a check is to be sent and/or such certificates are to be returned to a person other than the signer of this Letter of Transmittal or to an address other than that shown above, the appropriate boxes on this Letter of Transmittal should be completed.

8. WAIVER OF CONDITIONS.

The Offeror reserves the absolute right in its sole discretion to waive any of the specified conditions of the Offer, in whole or in part, in the case of any Shares or Rights tendered.

9. 31% BACKUP WITHHOLDING.

In order to avoid 'backup withholding' of federal income tax on payments of cash pursuant to the Offer, a shareholder surrendering Shares in the Offer must, unless an exemption applies, provide the Depository with such shareholder's correct taxpayer identification number ('TIN') on Substitute Form W-9 in this Letter of Transmittal and certify under penalty of perjury that such TIN is correct and that such shareholder is not subject to backup withholding. If a shareholder does not provide such shareholder's correct TIN or fails to provide the certifications described above, the Internal Revenue Service (the 'IRS') may impose a \$50 penalty on such shareholder and payment of cash to such shareholder pursuant to the Offer may be subject to backup withholding of 31%.

Backup withholding is not an additional income tax. Rather, the amount of the backup withholding can be credited against the Federal income tax liability of the person subject to the backup withholding, provided that the required information is given to the IRS. If backup withholding results in an overpayment of tax, a refund can be obtained by the shareholder upon filing an income tax return.

The shareholder is required to give the Depository the TIN (i.e., social security number or employer identification number) of the record owner of the Shares. If the Shares are held in more than one name or are not in the name of the actual owner, consult the enclosed 'Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9' for additional guidance on which number to report.

The box in Part III of the Substitute Form W-9 may be checked if the tendering shareholder has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future. If the box in Part III is checked, the shareholder or other payee must also complete the Certificate of Awaiting Taxpayer Identification Number below in order to avoid backup withholding. Notwithstanding that the box in Part III is checked and the Certificate of Awaiting Taxpayer Identification Number is completed, the Depository will withhold 31% on all payments made prior to the time a properly certified TIN is provided to the Depository. However, such amounts will be refunded to such shareholder if a TIN is provided to the Depository within 60 days.

Certain shareholders (including, among others, all corporations and certain foreign individuals and entities) are not subject to backup withholding. Noncorporate foreign shareholders should complete and sign the main signature form and a Form W-8, Certificate of Foreign Status, a copy of which may be obtained from the Depository, in order to avoid backup withholding. See the enclosed 'Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9' for more instructions.

10. REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES.

Questions and requests for assistance or additional copies of the Offer to Purchase, the First Supplement, the Letter of Transmittal, and the Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 may be directed to the Information Agent or the Dealer Managers at their respective addresses set forth below.





11. LOST, DESTROYED OR STOLEN CERTIFICATES.

If any certificate representing Shares or Rights has been lost, destroyed or stolen, the shareholder should promptly notify the Depository by checking the box immediately preceding the special payment/special delivery instructions and indicating the number of Shares or Rights lost. The shareholder will then be instructed as to the steps that must be taken in order to replace the certificate. This Letter of Transmittal and related documents cannot be processed until the procedures for replacing lost or destroyed certificates have been followed.

IMPORTANT: THIS LETTER OF TRANSMITTAL OR A MANUALLY SIGNED FACSIMILE COPY HEREOF (TOGETHER WITH CERTIFICATES OR CONFIRMATION OF BOOK-ENTRY TRANSFER AND ALL OTHER REQUIRED DOCUMENTS) MUST BE RECEIVED BY THE DEPOSITARY ON OR PRIOR TO THE EXPIRATION DATE (AS DEFINED IN THE FIRST SUPPLEMENT).

IMPORTANT TAX INFORMATION

Under federal income tax law, a shareholder whose tendered Shares or Rights are accepted for payment is required to provide the Depository with such stockholder's correct TIN on the Substitute Form W-9. If such shareholder is an individual, the TIN is such stockholder's social security number. If the Depository is not provided with the correct TIN, the shareholder may be subject to a \$50 penalty imposed by the Internal Revenue Service. In addition, payments that are made to such shareholder with respect to Shares purchased pursuant to the Offer may be subject to backup withholding.

Certain shareholders (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. In order for a foreign individual to qualify as an exempt recipient, that stockholder must submit a statement, signed under penalty of perjury, attesting to that individual's exempt status. Such statements may be obtained from the Depository. All exempt recipients (including foreign persons wishing to qualify as exempt recipients) should see the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 for additional instructions.

If backup withholding applies, the Depository is required to withhold 31% of any payments made to the stockholder. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained.

PURPOSE OF SUBSTITUTE FORM W-9

To prevent backup federal income tax withholding on payments that are made to a stockholder with respect to Shares purchased pursuant to the Offer, the stockholder is required to notify the Depository of his or her correct TIN by completing the form certifying that the TIN provided on the Substitute Form W-9 is correct.

WHAT NUMBER TO GIVE THE DEPOSITARY

The stockholder is required to give the Depository the social security number or employer identification number of the record owner of the Shares. If the Shares are in more than one name or are not in the name of the actual owner, consult the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 for additional guidelines on which number to report.



The Information Agent for the Offer is:

MORROW & CO., INC.

445 Park Avenue  
5th Floor  
New York, New York 10022  
Toll Free (800) 566-9061  
Call Collect (212) 754-8000

(or)

Banks and Brokerage Firms.  
Please Call:  
(800) 662-5200

The Dealer Managers for the Offer are:

LAZARD FRERES & CO. LLC  
30 Rockefeller Plaza  
New York, New York 10020

GOLDMAN, SACHS & CO.  
85 Broad Street  
New York, New York 10004

September 14, 1998



LAZARD FRERES & CO. LLC  
30 Rockefeller Plaza  
New York, New York 10020

GOLDMAN, SACHS & CO.  
85 Broad Street  
New York, New York 10004

PMA ACQUISITION CORPORATION  
A WHOLLY OWNED SUBSIDIARY OF  
ALLIEDSIGNAL INC.  
HAS AMENDED ITS  
OFFER TO PURCHASE FOR CASH  
AND IS NOW OFFERING TO PURCHASE UP TO AN AGGREGATE OF  
40,000,000 SHARES OF COMMON STOCK  
(INCLUDING THE ASSOCIATED COMMON STOCK PURCHASE RIGHTS)  
OF  
AMP INCORPORATED  
AT  
\$44.50 NET PER SHARE

THE OFFER AND WITHDRAWAL RIGHTS HAVE BEEN EXTENDED. THE OFFER, WITHDRAWAL RIGHTS AND PRORATION PERIOD WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON FRIDAY, SEPTEMBER 25, 1998, UNLESS THE OFFER IS EXTENDED.

September 14, 1998

To Brokers, Dealers, Commercial Banks,  
Trust Companies and Other Nominees:

We have been appointed by PMA Acquisition Corporation, a Delaware corporation ('Offeror') and a wholly owned subsidiary of AlliedSignal Inc., a Delaware corporation ('Parent'), to act as financial advisors and Dealer Managers in connection with Offeror's offer to purchase up to an aggregate of 40,000,000 shares of common stock, without par value (the 'Shares'), and the associated Common Stock Purchase Rights (the 'Rights'), of AMP Incorporated, a Pennsylvania corporation (the 'Company'), at a purchase price of \$44.50 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated August 10, 1998 (the 'Offer to Purchase'), as amended by the First Supplement to the Offer to Purchase, dated September 14, 1998 (the 'First Supplement'), and in the related Letter of Transmittal (which together constitute the 'Offer') enclosed herewith.

Holder of Shares will be required to tender one Right for each Share tendered to effect a valid tender of a Share. Unless and until the Distribution Date (as defined in Section 8 of the Offer to Purchase) occurs, the Rights are represented by and transferred with the Shares. Accordingly, if the Distribution Date does not occur prior to the Expiration Date of the Offer, a tender of Shares will constitute a tender of the associated Rights. If a Distribution Date has occurred, certificates representing a number of Rights equal to the number of Shares being tendered must be delivered to the Depository in order for the Shares to be validly tendered in accordance with the procedures described in Section 3 of the Offer to Purchase, as amended. If a Distribution Date has occurred, a tender of Shares without Rights constitutes an agreement by the tendering shareholder to deliver certificates representing a number of Rights equal to the number of Shares tendered pursuant to the Offer to the Depository within a period ending three New York Stock Exchange trading days after the date certificates for Rights are distributed to shareholders, all as provided in Section 3 of the Offer to Purchase, as amended. Offeror reserves the right to require that it receive these certificates prior to accepting Shares for payment. Payment for Shares tendered and purchased pursuant to the Offer will be made only after timely receipt by the Depository of, among other things, these certificates, if the certificates have been distributed to holders of Shares. Offeror will not pay any additional consideration for the Rights tendered pursuant to the Offer.

Please furnish copies of the enclosed materials to those of your clients for whose accounts you hold Shares in your name or in the name of your nominee.



THE OFFER, AS AMENDED, IS NO LONGER SUBJECT TO THE MINIMUM CONDITION (AS DEFINED IN THE OFFER TO PURCHASE). IT IS CONDITIONAL UPON CERTAIN OTHER TERMS AND CONDITIONS CONTAINED IN THE FIRST SUPPLEMENT.

Enclosed herewith for your information and forwarding to your clients are copies of the following documents:

1. The First Supplement, dated September 14, 1998.
2. The Letter of Transmittal to tender Shares and, if applicable, Rights for your use and for the information of your clients. Facsimile copies of the Letter of Transmittal (with manual signatures) may be used to tender Shares and, if applicable, Rights.
3. A printed form of letter which may be sent to your clients for whose accounts you hold Shares and/or Rights registered in your name or in the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Offer.
4. Guidelines of the Internal Revenue Service for Certification of Taxpayer Identification Number on Substitute Form W-9.
5. Return envelope addressed to the Depository.

YOUR PROMPT ACTION IS REQUESTED. WE URGE YOU TO CONTACT YOUR CLIENTS AS PROMPTLY AS POSSIBLE. PLEASE NOTE THAT THE OFFER, WITHDRAWAL RIGHTS AND PRORATION PERIOD EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON FRIDAY, SEPTEMBER 25, 1998, UNLESS THE OFFER IS EXTENDED.

In order to accept the Offer, an appropriate duly executed and properly completed Letter of Transmittal and any required signature guarantees, or an Agent's Message (as defined in the Offer to Purchase) in connection with a book-entry delivery of Shares and/or Rights and any other documents required by the Letter of Transmittal should be sent to the Depository and either Share and, if applicable, Rights Certificates representing the tendered Shares and Rights should be delivered to the Depository, or, in the case of book-entry delivery of Shares or Rights, such Shares or Rights should be tendered by book-entry transfer into the Depository's account maintained at one of the Book Entry Transfer Facilities (as described in the Offer to Purchase), all in accordance with the instructions set forth in the Letter of Transmittal and the Offer to Purchase as amended by the First Supplement.

SHARES MAY BE TENDERED ONLY BY THE PROPER EXECUTION AND COMPLETION OF THE LETTER OF TRANSMITTAL. SHARES MAY NOT BE TENDERED PURSUANT TO GUARANTEED DELIVERY PROCEDURES AFTER SEPTEMBER 14, 1998.

SHAREHOLDERS WHO HAVE PREVIOUSLY VALIDLY TENDERED SHARES PURSUANT TO THE INITIAL OFFER AND WHO HAVE NOT WITHDRAWN THOSE SHARES NEED NOT TAKE ANY FURTHER ACTION IN ORDER TO TENDER SHARES PURSUANT TO THE OFFER, AS AMENDED. SHAREHOLDERS WHO HAVE TENDERED SHARES ON OR PRIOR TO SEPTEMBER 11, 1998 PURSUANT TO GUARANTEED DELIVERY PROCEDURES SHOULD COMPLY WITH THE REQUIRED PROCEDURES. SEE SECTION 3 OF THE OFFER TO PURCHASE.

Offeror will not pay any commissions or fees to any broker, dealer or other person (other than the Dealer Managers and the Information Agent, as described in Offer to Purchase) for soliciting tenders of Shares and/or Rights pursuant to the Offer. Offeror will, however, upon request, reimburse you for customary clerical and mailing expenses incurred by you in forwarding any of the enclosed materials to your clients. Offeror will pay or cause to be paid any stock transfer taxes payable on the transfer of Shares and/or Rights to it, except as otherwise provided in Instruction 6 of the Letter of Transmittal.





Any inquiries you may have with respect to the Offer should be addressed to, and additional copies of the enclosed material may be obtained from, the Dealer Managers or the Information Agent, at their respective addresses and telephone numbers set forth on the back cover of the Offer to Purchase.

Very truly yours,  
LAZARD FRERES & CO. LLC                      GOLDMAN, SACHS & CO.

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU OR ANY OTHER PERSON THE AGENT OF THE PARENT, THE OFFEROR, THE DEPOSITARY, THE INFORMATION AGENT OR ANY AFFILIATE OF ANY OF THEM, OR AUTHORIZE YOU OR ANY OTHER PERSON TO MAKE ANY STATEMENT OR USE ANY DOCUMENT ON BEHALF OF ANY OF THEM IN CONNECTION WITH THE OFFER OTHER THAN THE ENCLOSED DOCUMENTS AND THE STATEMENTS CONTAINED THEREIN.



PMA ACQUISITION CORPORATION  
A WHOLLY OWNED SUBSIDIARY OF  
ALLIEDSIGNAL INC.  
HAS AMENDED ITS  
OFFER TO PURCHASE FOR CASH  
AND IS NOW OFFERING TO PURCHASE UP TO AN AGGREGATE OF  
40,000,000 SHARES OF COMMON STOCK  
(INCLUDING THE ASSOCIATED COMMON STOCK PURCHASE RIGHTS)  
OF  
AMP INCORPORATED  
AT  
\$44.50 PER SHARE

THE OFFER AND WITHDRAWAL RIGHTS HAVE BEEN EXTENDED. THE OFFER, WITHDRAWAL RIGHTS AND PRORATION PERIOD WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON FRIDAY, SEPTEMBER 25, 1998, UNLESS THE OFFER IS EXTENDED.

September 14, 1998

To Our Clients:

Enclosed for your consideration is the First Supplement, dated September 14, 1998 (the 'First Supplement') to the Offer to Purchase, dated August 10, 1998 (the 'Offer to Purchase'), and the related Letter of Transmittal (which as may be amended or supplemented from time to time, collectively constitute the 'Offer') relating to an offer by PMA Acquisition Corporation, a Delaware corporation ('Offeror'), and a wholly owned subsidiary of AlliedSignal Inc., a Delaware corporation ('Parent'), to purchase up to an aggregate of 40,000,000 shares of common stock, without par value (the 'Shares'), and the associated Common Stock Purchase Rights (the 'Rights'), of AMP Incorporated, a Pennsylvania corporation (the 'Company'), at a purchase price of \$44.50 per Share, net to the seller in cash (the 'Offer Price'), without interest, upon the terms and subject to the conditions set forth in the Offer.

Holders of Shares will be required to tender one Right for each Share tendered to effect a valid tender of a Share. Unless and until the Distribution Date (as defined in Section 8 of the Offer to Purchase) occurs, the Rights are represented by and transferred with the Shares. Accordingly, if the Distribution Date does not occur prior to the Expiration Date of the Offer, a tender of Shares will constitute a tender of the associated Rights. If a Distribution Date has occurred, certificates representing a number of Rights equal to the number of Shares being tendered must be delivered to the Depositary in order for the Shares to be validly tendered in accordance with the procedures described in Section 3 of the Offer to Purchase, as amended. If a Distribution Date has occurred, a tender of Shares without Rights constitutes an agreement by the tendering shareholder to deliver certificates representing a number of Rights equal to the number of Shares tendered pursuant to the Offer to the Depositary within a period ending three New York Stock Exchange trading days after the date certificates for Rights are distributed to shareholders, all as provided in Section 3 of the Offer to Purchase, as amended. Offeror reserves the right to require that it receive these certificates prior to accepting Shares for payment. Payment for Shares tendered and purchased pursuant to the Offer will be made only after timely receipt by the Depositary of, among other things, these certificates, if the certificates have been distributed to holders of Shares. Offeror will not pay any additional consideration for the Rights tendered pursuant to the Offer.

SHARES MAY BE TENDERED ONLY BY THE PROPER EXECUTION AND COMPLETION OF THE LETTER OF TRANSMITTAL. SHARES MAY NOT BE TENDERED PURSUANT TO GUARANTEED DELIVERY PROCEDURES AFTER SEPTEMBER 14, 1998.



SHAREHOLDERS WHO HAVE PREVIOUSLY VALIDLY TENDERED SHARES PURSUANT TO THE INITIAL OFFER AND WHO HAVE NOT WITHDRAWN THOSE SHARES NEED NOT TAKE ANY FURTHER ACTION IN ORDER TO TENDER SHARES PURSUANT TO THE OFFER, AS AMENDED. SHAREHOLDERS WHO HAVE TENDERED SHARES ON OR PRIOR TO SEPTEMBER 11, 1998 PURSUANT TO GUARANTEED DELIVERY PROCEDURES SHOULD COMPLY WITH THE REQUIRED PROCEDURES. SEE SECTION 3 OF THE OFFER TO PURCHASE.

THIS MATERIAL IS BEING FORWARDED TO YOU AS THE BENEFICIAL OWNER OF SHARES AND, IF APPLICABLE, RIGHTS CARRIED BY US IN YOUR ACCOUNT BUT NOT REGISTERED IN YOUR NAME.

A TENDER OF SUCH SHARES AND, IF APPLICABLE, RIGHTS CAN BE MADE ONLY BY US AS THE HOLDER OF RECORD AND PURSUANT TO YOUR INSTRUCTIONS. THE LETTER OF TRANSMITTAL IS FURNISHED TO YOU FOR YOUR INFORMATION ONLY AND CANNOT BE USED BY YOU TO TENDER SHARES AND, IF APPLICABLE, RIGHTS HELD BY US FOR YOUR ACCOUNT.

Accordingly, we request instructions as to whether you wish to tender any or all of the Shares and Rights held by us for your account, upon the terms and conditions set forth in the Offer.

Please note the following:

1. The Offer Price is \$44.50 per Share, net to the seller in cash, without interest.
2. The Offer is being made for up to an aggregate of 40,000,000 Shares and, if applicable, Rights. Following completion of the Offer, Offeror intends to promptly commence a second tender offer to purchase all outstanding Shares not owned by Offeror at a price of \$44.50 per Share, net to the seller in cash, without interest thereon, upon essentially the same terms and conditions set forth in the Offer to Purchase.
3. The Offer, withdrawal rights and proration period will expire at 12:00 midnight, New York City time, on Friday, September 25, 1998, unless the Offer is extended.
4. The Offer is subject to satisfaction of certain terms and conditions (see Introduction, Section 1 and Section 14 of the Offer to Purchase and Section 8 of the First Supplement).
5. Tendering Shareholders will not be obligated to pay brokerage fees or commissions or, except as set forth in the Letter of Transmittal, stock transfer taxes on the transfer of Shares and, if applicable, Rights pursuant to the Offer.
6. Payment for Shares and, if applicable, Rights accepted for payment pursuant to the Offer will be made only after timely receipt by The Bank of New York (the 'Depository') of (i) certificates for the Shares and, if applicable, Rights, or timely confirmation of a book-entry transfer of the Shares and/or Rights into the Depository's account at The Depository Trust Company (the 'Book-Entry Transfer Facility'), pursuant to the procedures set forth in Section 3 of the Offer to Purchase, as amended, (ii) a properly completed and duly executed Letter of Transmittal (or a manually signed facsimile) with all required signature guarantees or, in the case of book-entry transfer of Shares, if applicable, an Agent's Message (as defined in the Offer to Purchase) in connection with a book-entry transfer and (iii) any other documents required by the Letter of Transmittal.

If you wish to have us tender any or all of your Shares and, if applicable, Rights, please so instruct us by completing, executing, detaching and returning to us the instruction form contained in this letter. An envelope to return your instruction to us is enclosed. If you authorize tender of your Shares and, if applicable, Rights, all such Shares and, if applicable, Rights will be tendered unless otherwise indicated in such instruction form. PLEASE FORWARD YOUR INSTRUCTIONS TO US AS SOON AS POSSIBLE TO ALLOW US AMPLE TIME TO TENDER YOUR SHARES ON YOUR BEHALF PRIOR TO THE EXPIRATION OF THE OFFER.

Offeror is not aware of any jurisdiction where the making of the Offer is prohibited by administrative or judicial action pursuant to any valid state statute. If Offeror becomes aware of any valid state statute prohibiting the making of the Offer or the acceptance of the Shares or Rights pursuant thereto, Offeror will make a good faith effort to comply with such state statute. If, after such good faith effort, Offeror cannot comply with any such state statute, the Offer will not be made to (nor will tenders be accepted from or on behalf of) the holders of Shares or Rights in such state. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of Offeror by the Dealer Managers (as defined in the Offer to Purchase) or one or more registered brokers or dealers which are licensed under the laws of such jurisdiction.



INSTRUCTIONS WITH RESPECT TO THE OFFER TO PURCHASE FOR CASH  
UP TO AN AGGREGATE OF 40,000,000 SHARES OF COMMON STOCK  
(AND THE ASSOCIATED COMMON STOCK PURCHASE RIGHTS)  
OF  
AMP INCORPORATED

The undersigned acknowledge(s) receipt of your letter and the enclosed First Supplement, dated September 14, 1998, to the Offer to Purchase, dated August 10, 1998, and the related Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constitute the 'Offer') in connection with the offer by PMA Acquisition Corporation ('Offeror'), a Delaware corporation and a wholly owned subsidiary of AlliedSignal Inc., a Delaware Corporation ('Parent'), to purchase up to an aggregate of 40,000,000 shares of Common Stock, without par value (the 'Common Stock'), and the associated Common Stock Purchase Rights (the 'Rights'), of AMP Incorporated, a Pennsylvania corporation (the 'Company'), at a purchase price of \$44.50 per Share and, if applicable, Rights, in each case net to the seller in cash, without interest thereon, in each case upon the terms and subject to the conditions set forth in the Offer to Purchase.

This will instruct you to tender to Offeror the number of shares of Common Stock and, if applicable, Rights, indicated below (or if no number is indicated below, all shares of Common Stock and, if applicable, Rights) which are held by you for the account of the undersigned, upon the terms and subject to the conditions set forth in the Offer.

Number of Shares and, if applicable, Rights to be Tendered:            Shares

Unless otherwise indicated, it will be assumed that you instruct us to tender all Shares and/or Rights held by us for your account.

SIGN HERE

Signature(s) .....  
(Print Name(s)) .....  
(Print Address(es)) .....  
(Area Code and Telephone Number(s)) .....  
(Taxpayer Identification or Social Security Number(s)) .....





Contact: Mark Greenberg  
(973) 455-5445

72% OF AMP SHARES ARE TENDERED TO ALLIEDSIGNAL, A MAJOR VICTORY

-----  
ALLIEDSIGNAL AMENDS OFFER; WILL PAY \$44.50 CASH FOR 40 MILLION AMP  
SHARES (18%), NOT CONDITIONAL ON REDEMPTION OF POISON PILL;  
WILL RESUME CONDITIONAL OFFER FOR REMAINING AMP SHARES  
FOLLOWING PURCHASE OF 18%

-----  
ALSO AMENDS CONSENT SOLICITATION TO ADD BYLAW CHANGE  
TO REMOVE POISON PILL AUTHORITY FROM AMP BOARD

-----  
ACTIONS REFLECT ALLIEDSIGNAL'S FIRM RESOLVE  
TO COMPLETE ACQUISITION OF AMP

MORRIS TOWNSHIP, New Jersey, September 14, 1998--AlliedSignal Inc. [NYSE:  
ALD] announced today that 157,391,059 shares of AMP Incorporated [NYSE:  
AMP]--72% of the total outstanding--have been tendered to AlliedSignal by AMP  
shareowners.

"AMP's shareowners have spoken decisively in favor of AlliedSignal's  
proposed transaction," said Lawrence A. Bossidy, Chairman and Chief Executive  
Officer of AlliedSignal.

"In the face of AMP's plea to shareowners not to tender their shares," said  
Bossidy, "this is an exceptionally strong message that AMP shareowners want the  
right to decide for themselves whether to sell. It is a vote of no confidence in  
management's restructuring plan



and a mandate in favor of AlliedSignal's offer. We're hopeful that the AMP board will now be responsible to its shareowners," said Bossidy.

Since AMP's refusal to redeem the poison pill prevents AlliedSignal from purchasing more than 20% of the outstanding shares, AlliedSignal will proceed immediately to purchase as many as it can without triggering AMP's poison pill. Accordingly, AlliedSignal announced today that it is amending its tender offer to purchase up to 40 million AMP shares at \$44.50 per share in cash, even if the poison pill is not redeemed. "Acquiring these shares will advance our plan to acquire the remaining shares of AMP as soon as practical," said Bossidy.

The \$1.8-billion amended tender offer will expire at midnight, New York City time, on September 25, 1998, unless extended. If the offer is successful, AlliedSignal will own 18% of AMP by October 15, the record date set by AMP for AlliedSignal's consent solicitation. AlliedSignal intends to continue its efforts to complete the acquisition of AMP by all available means, including a tender offer of \$44.50 in cash per share for all of AMP's remaining shares, conditioned on the removal of the poison pill.

AlliedSignal also announced today that it will amend its previously announced shareowner consent solicitation to add a proposal that AMP shareowners amend the bylaws of AMP to remove from AMP's board of directors any authority with respect to AMP's poison pill. Instead, the poison pill power would be vested in new representatives approved by AMP shareowners. These representatives would restore shareowner democracy to AMP by ensuring that the poison pill could not be used to deny shareowners the right to decide for themselves whether to take advantage of a cash tender offer for all of AMP's shares.



"Our amended tender offer and consent solicitation demonstrate our firm resolve to complete the acquisition of AMP," said Bossidy.

Shareowners who have already tendered need not take any further action to take advantage of the amended offer. If more than 40 million AMP shares are tendered under the amended offer, AlliedSignal will prorate its purchases among all tendered shares. AMP shareowners will receive amended tender offer materials from AlliedSignal explaining the offer. Any shares not purchased will be returned to AMP shareowners following the September 25 expiration of the amended offer. AMP shareowners will then be able to tender their remaining shares in the subsequent offer for all remaining AMP shares.

This news release does not constitute a solicitation of a proxy, consent or authorization for or with respect to a meeting of the company's shareowners or any action in lieu thereof. Any such solicitations will be made only pursuant to separate materials in compliance with the requirements of Section 14(a) of the Securities Exchange Act of 1934, as amended.

Lazard Freres & Co. LLC and Goldman, Sachs & Co. are the Dealer Managers for the offer, the complete terms and conditions of which are available by contacting the Information Agent, Morrow & Co., Inc. at (800) 662-5200.

AlliedSignal is an advanced technology and manufacturing company serving customers worldwide with aerospace and automotive products, chemicals, fibers, plastics and advanced materials. The company employs 70,500 people worldwide. AlliedSignal is a component of the Dow Jones Industrial Average and Standard & Poor's 500 Index, and it is included in Fortune magazine's lists of the "Most Admired Companies" and "Best Places to Work."



Additional information on the company is available on the World Wide Web at <http://www.alliedsignal.com/>.

CERTAIN INFORMATION CONCERNING PARTICIPANTS

AlliedSignal Inc. ("AlliedSignal"), PMA Acquisition Corporation ("Acquisition Subsidiary") and certain other persons named below may solicit the consent of shareholders (a) to elect seventeen nominees (the "Nominees") as directors of AMP Incorporated ("AMP") pursuant to a shareholder action by written consent (the "Consent Solicitation") and (b) in favor of the adoption of five proposals to amend the By-laws of AMP. The participants in this solicitation may include the directors of AlliedSignal (Hans W. Becherer, Lawrence A. Bossidy (Chairman of the Board and Chief Executive Officer), Ann M. Fudge, Paul X. Kelley, Robert P. Luciano, Robert B. Palmer, Russell E. Palmer, Frederic M. Poses (President and Chief Operating Officer), Ivan G. Seidenberg, Andrew C. Sigler, John R. Stafford, Thomas P. Stafford, Robert C. Winters and Henry T. Yang), each of whom is a Nominee; and the following executive officers and employees of AlliedSignal: Peter M. Kreindler (Senior Vice President, General Counsel and Secretary), Donald J. Redlinger (Senior Vice President - Human Resources and Communications), and Richard F. Wallman (Senior Vice President and Chief Financial Officer), each of whom is a Nominee, and Terrance L. Carlson (Deputy General Counsel), Robert F. Friel (Vice President and Treasurer), John W. Gamble, Jr., (Assistant Treasurer), Mark E. Greenberg (Vice President, Communications), John L. Stauch (Director, Investor Relations), Robert J. Buckley (Manager, Investor Relations), G. Peter D'Aloia (Vice President, Planning & Development) Mary Elizabeth Pratt (Assistant General Counsel) and James V. Gelly (Vice President, Finance, Aerospace Marketing, Sales & Service).

As of the date of this communication, AlliedSignal is the beneficial owner of 100 shares of common stock of AMP. Mr. Greenberg is the beneficial owner of 100 shares of common stock of AMP. Other than set forth herein, as of the date of this communication, neither AlliedSignal, Acquisition Subsidiary nor any of their respective directors, executive officers or other representatives or employees of AlliedSignal, any Nominees or other persons known to AlliedSignal who may solicit proxies has any security holdings in AMP. AlliedSignal disclaims beneficial ownership of any securities of AMP held by any pension plan or other employee benefits plan of AlliedSignal or by any affiliate of AlliedSignal.

Although neither Lazard Freres & Co. LLC ("Lazard Freres") nor Goldman, Sachs & Co. ("Goldman Sachs"), the financial advisors to AlliedSignal, admits that it or any of its members, partners, directors, officers, employees or affiliates is a "participant" as defined in Schedule 14A promulgated under the Securities Exchange Act of 1934 by the Securities and Exchange Commission, or that Schedule 14A requires the disclosure of certain information concerning Lazard Freres or Goldman Sachs, Steven J. Golub and Mark T. McMaster (each a Managing Director) and Yasushi Hatakeyama (a Director) of Lazard Freres, and Robert S. Harrison and Wayne L. Moore (each a Managing Director) and Peter Gross and Peter Labbat (each a Vice President) of Goldman Sachs, may assist AlliedSignal in the solicitation of consents of shareholders. Both Lazard Freres and Goldman Sachs engage in a full range of investment banking, securities trading, market-making and brokerage services for institutional and individual clients. In the normal course of its business Lazard Freres and Goldman Sachs may trade securities of AMP for its own account and the accounts of its customers, and accordingly, may at any time hold a long or short position in such securities. Lazard Freres has informed AlliedSignal that as of August 6, 1998, Lazard Freres held a net long position of approximately 20,861 shares of common stock of AMP, and Goldman Sachs has informed AlliedSignal that as of August 7, 1998, Goldman Sachs held a net long position of approximately 800,000 shares of common stock of AMP.

Except as disclosed above, to the knowledge of AlliedSignal, none of AlliedSignal, the directors or executive officers of AlliedSignal, the employees or other representatives of AlliedSignal or the Nominees named above has any interest, direct or indirect, by security holdings or otherwise, in AMP.

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PRELIMINARY COPY  
SUBJECT TO COMPLETION

[LOGO]

AlliedSignal Inc.  
P.O. Box 3000  
Morristown, NJ 07962-2496

LARRY BOSSIDY  
Chairman and  
Chief Executive Officer

September , 1998

Dear AMP Shareowners:

On August 4, we presented you with the opportunity to sell your stock to AlliedSignal for \$44.50 per share in cash. At that time, AMP stock was selling at approximately \$29 per share, and our offer represented a premium of approximately 55%. Since then the Dow Jones Industrial Average has declined by 11.3% and the S&P 500 Stock Index has declined by 9.3%. If we had not made our offer, what would your stock be worth today?

The AMP Board rejected our offer and said to you: 'Trust us.' They asked you not to tender your shares as a vote of confidence in their restructuring plan. For three years they have promised that performance would improve, but they have consistently reported disappointing results, and AMP's share price has under-performed the market.

On September 11 you voiced your overwhelming support for our \$44.50 offer by tendering 72% of your shares. This is an exceptionally strong message that the shareowners want the company sold.

Rather than removing the anti-takeover measures already in place, the AMP Board has instead strengthened the poison pill and put new obstacles in the way of your being able to decide for yourself whether to sell all your shares to AlliedSignal.

This consent solicitation is designed to remove those obstacles. The first proposal would make the 'poison pill' inapplicable to any offer supported by the AMP shareowners. In our judgment, our second set of proposals, focusing on the election of our nominees to the AMP Board, increases the likelihood that you will be the ultimate decision makers on whether to sell all your AMP shares for \$44.50 per share in cash.

This is your opportunity to prevent the existing AMP directors and management from standing in the way of your realizing \$44.50 in cash for all your shares. In consenting to these proposals, you will take back the power to decide the future of your investment.

I urge you to read the enclosed materials, which describe our proposals in greater detail. Then, please fill out and sign the enclosed blue card as soon as possible and mail it in the envelope provided.

Sincerely,

LARRY BOSSIDY  
Chairman and Chief Executive Officer



IMPORTANT

1. If your shares of Company Common Stock are held in your own name, please mark, sign and date the enclosed BLUE consent card and mail it to Morrow & Co., Inc. in the postage-paid envelope provided.

2. If your shares of Company Common Stock are held in the name of a brokerage firm, bank nominee or other institution, only that entity can execute a consent with respect to your shares and only upon receipt of your specific instructions. Accordingly, you should contact the person responsible for your account and give instructions for a BLUE consent card to be signed representing your shares. AlliedSignal and PMA urge you to confirm in writing your instructions to the person responsible for your account and provide a copy of those instructions to AlliedSignal and PMA in care of Morrow & Co., Inc. so that AlliedSignal and PMA will be aware of all instructions given and can attempt to ensure that these instructions are followed.

If you have any questions or require any assistance in executing or delivering your consent, please call:

MORROW & CO., INC.

445 Park Avenue  
5th Floor  
New York, New York 10022  
Toll Free (800) 566-9061  
Call Collect (212) 754-8000  
Banks and Brokerage Firms Please Call:  
(800) 662-5200



CONSENT STATEMENT  
OF  
ALLIEDSIGNAL INC.  
PMA ACQUISITION CORPORATION

This Consent Statement is furnished by AlliedSignal Inc., a Delaware corporation ('AlliedSignal'), and its wholly owned subsidiary, PMA Acquisition Corporation, a Delaware corporation ('PMA'), in connection with the solicitation by AlliedSignal and PMA of written consents from holders of shares of Common Stock without par value of AMP Incorporated, a Pennsylvania corporation (the 'Company'), to take the following actions without a shareholders meeting, as permitted by the Company's Articles of Incorporation and Pennsylvania law.

AlliedSignal is soliciting the support of the Company's shareholders for two sets of proposals (the 'Proposals').

The first proposal, the 'Shareholder Rights Proposal,' if approved by the Company's shareholders, is intended to remove from the Company's Board of Directors all powers with respect to the Rights Agreement and would vest those powers in a group of three representatives, the 'Rights Agreement Managing Agents'. The Rights Agreement Managing Agents will cause the Rights Agreement to be amended in a number of respects, including making it inapplicable to: (i) any tender or exchange offer, if, as a result of that offer, the offeror and its affiliates would be the beneficial owners of a majority of outstanding shares of Company Common Stock and (ii) any merger (including the Proposed Merger, as defined below) if the merger either does not require shareholder approval or is approved by the requisite vote of Company shareholders. The Rights Agreement Managing Agents will also cause the Rights Agreement to be amended to make the Rights redeemable and will cause the Rights Agreement to be amended to make other changes to facilitate an acquisition of the Company.

These amendments to the Rights Agreement will restore to the Company shareholders the power to decide whether to accept AlliedSignal's offer for all shares of Company Common Stock and proposed merger or any superior offer for the Company.

The second set of proposals, the 'Nominee Election Proposals,' if approved by the Company's shareholders, would result in the AlliedSignal Nominees becoming a majority of the Company Board. The Nominees, if elected, intend, subject to their fiduciary duties to consider any superior offer, to cause the Company to enter into an agreement providing for a merger or similar business combination with AlliedSignal providing for payment to the Company shareholders of \$44.50 per share in cash. This agreement would be subject to the approval of holders of at least 66 2/3% of the outstanding shares of Company Common Stock unless AlliedSignal shall have previously acquired 80% or more of the outstanding shares of Company Common Stock pursuant to its tender offers or otherwise.

The Company Board has fixed October 15, 1998, as the record date for the solicitation for the Nominee Election Proposals (the 'Record Date'). AlliedSignal has asked the Company to confirm that October 15, 1998 will also be the record date for the Shareholder Rights Proposal.

This Consent Statement and the related BLUE consent card are first being sent or given on or about , 1998, to all holders of record of shares of Company Common Stock on the Record Date. The Company Common Stock constitutes the only outstanding class of voting securities of the Company. Accordingly, only holders of shares of Company Common Stock are entitled to execute and deliver consents.

ALLIEDSIGNAL AND PMA RECOMMEND THAT YOU CONSENT TO EACH OF THE PROPOSALS.



TABLE OF CONTENTS

	PAGE
	-----
Background of the Solicitation.....	3
The Proposals.....	5
Shareholder Rights Proposal.....	5
Nominee Election Proposals.....	8
Voting Securities and Principal Holders.....	14
Certain Information Concerning AlliedSignal and PMA.....	14
Solicitation of Consents.....	15
Consent Procedure.....	16
Effectiveness and Revocation of Consents.....	16
Special Instructions.....	17
Dissenters' Rights.....	17
Litigation.....	18
ANNEX I.....	A-I-1
ANNEX II.....	A-II-1
ANNEX III.....	A-III-1
ANNEX IV.....	A-IV-1
ANNEX V.....	A-V-1
ANNEX VI.....	A-VI-1





## BACKGROUND OF THE SOLICITATION

On August 10, 1998, PMA commenced an offer to purchase all the outstanding shares of Company Common Stock, together with the associated common stock purchase rights (the 'Rights' and, together with the Company Common Stock, the 'Shares') issued pursuant to the Rights Agreement of the Company, dated October 25, 1989, between the Company and the Rights Agent thereof, as amended (the 'Rights Agreement' or the 'Poison Pill'), at \$44.50 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions set forth in PMA's Offer to Purchase, dated August 10, 1998 (the 'Offer to Purchase'), and in the related Letter of Transmittal (which collectively constitute the 'Initial Offer').

In order to facilitate the acquisition of control of, and the entire equity interest in, the Company and to obtain a significant vote for purposes of this consent solicitation, on September 14, 1998, AlliedSignal and PMA revised the Initial Offer and is now offering to purchase up to an aggregate of 40 million Shares at \$44.50 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase, as amended by the First Supplement to the Offer to Purchase, dated September 14, 1998, and in the revised Letter of Transmittal (which, as amended and supplemented from time to time, collectively constitute the 'Amended Offer').

The purposes of the Amended Offer are for AlliedSignal, through PMA, to acquire a significant equity interest in the Company as the first step toward a business combination of AlliedSignal and the Company and to obtain a significant vote for purposes of this consent solicitation. Following PMA's acceptance for payment of Shares in the Amended Offer, PMA intends to commence another tender offer (the 'Second Offer') to purchase all outstanding Shares not owned by PMA at a price of \$44.50 per Share, net to the seller in cash, without interest, upon essentially the same terms and subject to the same conditions set forth in the Offer to Purchase, in order to acquire control of, and the entire equity interest in, the Company.

Because the Amended Offer contemplates the purchase of up to 40 million Shares, AlliedSignal and PMA believe that, based on the number of Shares outstanding as reported in the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1998, they will not become an 'Acquiring Person' under the Poison Pill and that the provisions of Subchapter E, F, G and I of Chapter 25 of the Pennsylvania Business Corporation Law (the 'PBCL') will not be triggered.

On August 12, 1998, AlliedSignal filed preliminary proxy material for its consent solicitation, in which it was seeking shareholders' consent to the election of the Nominees and other proposals set forth below under 'THE PROPOSALS -- Nominee Election Proposals.'

Subject to the fulfillment of their fiduciary duties as directors of the Company to consider any superior proposal, the Nominees intend, if elected as directors of the Company, to cause the Company to enter into and consummate a merger or similar business combination (a 'Proposed Merger') with AlliedSignal as soon as reasonably practicable and under circumstances in which the Rights would not be triggered. The Nominees also intend to take whatever other actions are appropriate, subject to fulfillment of their fiduciary duties as directors of the Company, to facilitate the Amended Offer, the Second Offer and Proposed Merger, including approving the Second Offer and Proposed Merger for purposes of the Business Combination Statute. The purpose of the Proposed Merger under these circumstances would be to acquire all of the Shares not tendered and purchased pursuant to the Amended Offer, the Second Offer or otherwise. Pursuant to the Proposed Merger, each outstanding Share (other than Shares owned by AlliedSignal, PMA, or any of their subsidiaries, Shares held in the treasury of the Company and Shares owned by shareholders who perfect available appraisal rights under the PBCL) would be converted into the right to receive an amount in cash equal to \$44.50 per Share.

At the time that AlliedSignal and PMA commenced the Initial Offer, the Rights Agreement had provided that, under certain circumstances, the decision to redeem the Rights required the concurrence of a majority of the members of the Company Board who were members of the Company Board prior to October 25, 1989 (the 'Continuing Directors') and their nominees (the 'Dead Hand Provision'). AlliedSignal and PMA believed that the Dead Hand Provision was unenforceable. Accordingly, on August 4, 1998, AlliedSignal filed a complaint against the Company in the United States District Court



for the Eastern District of Pennsylvania (the 'Complaint') in which it sought to have the Dead Hand Provision declared invalid.

AlliedSignal also believed that the Rights Agreement, as in effect at the time the Initial Offer commenced, would have permitted AlliedSignal to consummate a merger with the Company without triggering the dilutive effect of the Rights (even if the Continuing Directors refused to redeem the Rights), so long as AlliedSignal did not acquire 20% or more of the Company Common Stock before the merger. AlliedSignal was also of the view that, if the Nominees were elected to and constituted a majority of the Company Board, the Continuing Directors could have been persuaded to redeem the Rights, in furtherance of their fiduciary duties to the Company, although there were no assurances that this would have been the case.

On August 21, 1998, the Company filed with the Securities and Exchange Commission (the 'Commission') a Solicitation/Recommendation Statement on Schedule 14D-9 which reflected the conclusion of the Company Board that the Initial Offer was not in the best interests of the Company and its relevant constituencies and recommended to Company shareholders that they reject the Initial Offer.

Moreover, in response to the Initial Offer and to AlliedSignal's stated intention to seek shareholder consent to the election of the Nominees, the Company Board, at a meeting held on August 20, 1998, approved Amendment No. 3 to the Rights Agreement which provided that:

(i) unless the Rights are redeemed prior thereto, a merger or other business combination transaction will be an event triggering a Transaction Exercise Right, irrespective of whether other events have previously occurred to cause the Rights Certificates to have been distributed, (ii) the Rights shall become nonredeemable upon a change in the Board occurring at any time following receipt of an unsolicited acquisition proposal such that the disinterested directors (as such term is defined under Pennsylvania law) in office prior to the first such unsolicited acquisition proposal, together with their successors as may be approved by the Board of Directors prior to their election, no longer constitute a majority of the Board of Directors, (iii) the Qualifying Offer exception shall be applicable unless and until the Rights become nonredeemable under clause (ii) above, and (iv) the Rights Agreement generally may not be amended when the Rights are not redeemable.

The amendment to the Rights Agreement (the 'Nonredemption Provision'), which effectively replaced the Dead Hand Provision, makes the Rights non-redeemable by any directors, even 'disinterested' directors, if a majority of the Company Board are persons other than the present directors of the Company or their designees. The Nonredemption Provision also eliminated AlliedSignal's ability to consummate a merger without a prior redemption of the Rights.

The Nonredemption Provision would remain in effect until the expiration of the Rights Agreement on November 6, 1999 and, if the Nominees are elected and constitute a majority of the Company Board, would preclude a business combination prior to November 6, 1999 by the Company with any person, including AlliedSignal, no matter what the price offered or terms specified. At the August 20, 1998 meeting, the Company Board also adopted a resolution providing that, for a period of six months after the expiration of the Rights Agreement, the Company will neither adopt nor have in place a shareholder rights plan.

AlliedSignal and PMA believe that the Nonredemption Provision is invalid and unenforceable because it unlawfully interferes with the shareholders' rights to elect directors and unlawfully deprives directors of their ability to manage the business and affairs of the Company. AlliedSignal is amending its Complaint to have the Nonredemption Provision declared invalid and unenforceable.

Complete information about the Initial Offer and the Amended Offer is contained in the Offer to Purchase and the First Supplement to the Offer to Purchase, each of which is available upon request from the Information Agent for the Offer, Morrow & Co., Inc. ('Morrow'), and in the Tender Offer Statement on Schedule 14D-1 (the 'Schedule 14D-1') as amended, which was initially filed with the Commission on August 10, 1998. The Schedule 14D-1 and any amendments, including exhibits, should be available for inspection and copies should be obtainable in the manner set forth under 'CERTAIN INFORMATION CONCERNING ALLIEDSIGNAL AND PMA.'



ADOPTION OF THE PROPOSALS IS AN IMPORTANT STEP TOWARD PROMPT CONSUMMATION OF THE SECOND OFFER AND THE PROPOSED MERGER. ACCORDINGLY, YOU ARE URGED TO PROMPTLY MARK, SIGN, DATE AND MAIL THE ENCLOSED BLUE CONSENT CARD.

THIS CONSENT STATEMENT IS A REQUEST FOR CONSENTS TO THE PROPOSALS ONLY. IT IS NOT A REQUEST FOR THE TENDER OF SHARES NOR AN OFFER WITH RESPECT THERETO. THE OFFER IS BEING MADE ONLY BY MEANS OF THE OFFER TO PURCHASE, AS AMENDED.

#### THE PROPOSALS

AlliedSignal and PMA are seeking written consents from holders of shares of Company Common Stock to take the following actions without a shareholders' meeting, as permitted by the Company's articles of incorporation and the PBCL.

THE SHAREHOLDER RIGHTS PROPOSAL IS SEPARATE AND DISTINCT FROM THE NOMINEE ELECTION PROPOSALS. COMPANY SHAREHOLDERS MAY APPROVE THE SHAREHOLDER RIGHTS PROPOSAL WITHOUT APPROVING THE NOMINEE ELECTION PROPOSALS, MAY APPROVE SOME OR ALL OF THE NOMINEE ELECTION PROPOSALS WITHOUT APPROVING THE SHAREHOLDER RIGHTS PROPOSAL, OR MAY APPROVE ALL OF THE PROPOSALS.

The effectiveness of each of the Nominee Election Proposals is subject to, and conditioned upon, the adoption of each of the other Nominee Election Proposals by the holders of record, as of the close of business on the Record Date, of a majority of the shares of Company Common Stock then outstanding. However, if Nominee Election Proposal 5 is not so adopted, AlliedSignal reserves the right to waive, but only with respect to Nominee Election Proposal 5, this condition.

#### SHAREHOLDER RIGHTS PROPOSAL

The Shareholder Rights Proposal would Amend Section 2.1 of Article II of the Company By-laws to provide that all powers of the Company and rights and duties of the Company Board with respect to the Rights Agreement and any other plan, agreement, contract, security, warrant or other instrument of a type or kind authorized by or referred to in Section 2513 of the PBCL will not be vested in or exercised by the Company Board and will instead be exclusively vested in and exercised by the Rights Agreement Managing Agents (or, if any Rights Agreement Managing Agent is unable to serve due to death, disability or otherwise, any other person designated by the remaining Rights Agreement Managing Agents) and to provide that Section 2.1 may be amended or repealed only with the approval of shareholders of the Company holding a majority of the Company's outstanding voting shares. The Rights Agreement Managing Agents are \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_. Biographical information with respect to each of them is set forth in Annex VI to this Consent Statement.

The text of this proposed amendment to the Company By-Laws, which should be carefully reviewed, is set forth in Annex IV to this Consent Statement.

If the Shareholder Rights Proposal is approved, the Rights Agreement Managing Agents will cause the Rights Agreement to be amended to provide that:

- (i) a 'Qualifying Offer' is any tender offer or exchange offer for shares of Company Common Stock pursuant to which a sufficient number of shares of Company Common Stock are tendered at any expiration date of the offer so that, if purchased by the offeror pursuant to the offer, the offeror and its affiliates, taking into account shares of Company Common Stock then already beneficially owned by the offeror and its affiliates, would be the beneficial owners of a majority of the outstanding shares of Company Common Stock;
- (ii) a 'Qualifying Business Combination' is any consolidation or other business combination of the Company with or into a third party if the transaction does not require a shareholder vote (that is, it qualifies as a 'short form' merger under Section 1924 of the PBCL because the third party owns 80% or more of the Company Common Stock at the time of the merger) or the transaction is approved by the requisite vote of shareholders of the Company;



(iii) Section 13 of the Rights Agreement (the so called 'flip over' provision that is applicable to mergers and other business combinations) is not applicable to a Qualifying Business Combination; and

(iv) the foregoing amendments (the 'Qualifying Offer Exceptions') to the Rights Agreement may not be changed until expiration of the Rights Agreement.

The Qualifying Offer Exceptions would render the Poison Pill inapplicable to any tender or exchange offer (not just the AlliedSignal Second Offer) in which a sufficient number of shares of Company Common Stock are tendered by any expiration date so that, if purchased by the offeror pursuant to the offer, the offeror and its affiliates would be beneficial owners of a majority of the outstanding shares of Company Common Stock. The Qualifying Offer Exceptions would also render the Poison Pill inapplicable to any merger (not just the Proposed Merger) approved by the requisite vote of shareholders or to any merger with a third party that owns 80% or more of the Company Common Stock at the time of the merger.

In addition, the Rights Agreement Managing Agents will cause the Rights Agreement to be further amended to: (i) substitute references to the Rights Agreement Managing Agents throughout the Rights Agreement for references to the Company Board; (ii) amend Section 26 of the Rights Agreement to permit the Rights Agreement Managing Agents to amend the Rights Agreement (other than the Qualifying Offer Exceptions) prior to the time the Rights are no longer redeemable; (iii) delete Section 13(e) in its entirety from the Rights Agreement; (iv) amend Section 23 of the Rights Agreement to make the Rights redeemable by the Rights Agreement Managing Agents at any time prior to the earlier to occur of (a) the expiration of the Rights Agreement and (b) the close of business on the tenth business day after the date that any person or group of persons becomes an 'Acquiring Person' under the Rights Agreement; (v) amend Section 28 of the Rights Agreement to clarify that the Rights Agreement Managing Agents have the exclusive power and authority to administer the Rights Agreement; and (vi) make other clarifying changes to the Rights Agreement with respect to the powers and duties of the Rights Agreement Managing Agents and the Rights Agent.

The effect of the second set of amendments to the Rights Agreement would be to (i) clarify for all purposes that the Rights Agreement Managing Agents have all power and authority to administer, interpret and amend the Rights Agreement in place of the Company Board; (ii) amend the nonredemption provision of the Poison Pill, so that the Poison Pill can be amended prior to the Rights becoming non-redeemable; and (iii) make the Rights subject to redemption by vote of the Rights Agreement Managing Agents, without regard to whether the Nominees constitute a majority of the Company Board.

The text of the proposed amendments to the Rights Agreement, which should be carefully reviewed, is set forth in Annex V to this Consent Statement.

By consenting to the Shareholder Rights Proposal, shareholders are, in effect, authorizing the Rights Agreement Managing Agents to take all of the foregoing actions with respect to the Poison Pill and are delegating exclusively to the Rights Agreement Managing Agents all future decisions concerning the terms and administration of the Poison Pill, with the sole exception of making any further amendments to the Qualifying Offer Exceptions, which by their terms cannot be further amended.

Absent adoption and implementation of the Shareholder Rights Proposal and related amendments of the Poison Pill, if the Nominees are elected and the Nonredemption Provision is not judicially invalidated, the Poison Pill may not be redeemed by the Company Board until November 6, 1999. In that event, AlliedSignal could not consummate the Second Offer or a Proposed Merger until the date the Rights Agreement expires nor could any third party effect a combination with the Company during that period no matter what the price or the terms.

AlliedSignal's position is clear. The choice between AlliedSignal's Amended Offer, Second Offer and Proposed Merger and the Company's program should be that of the Company's shareholders. Each side should present its most compelling arguments and the Company shareholders should have an opportunity to decide. The Company's amendment of the Poison Pill to substitute the Nonredemption





Provision for the Dead Hand Provision is intended to preclude shareholder decision on any acquisition proposal for over a year, and that delay, in AlliedSignal's view, is clearly oppressive and unacceptable.

The Poison Pill makes it economically infeasible to acquire control of the Company in a transaction opposed by the Company Board, even if a significant majority of the shareholders were to favor the acquisition. Essentially the Poison Pill has this effect because it dilutes the ownership of stock held by any person who, after a change in control of the Company Board, acquires more than a threshold amount, in this case, 20% of the Company Common Stock. A poison pill is typically used as an instrument to furnish a board of directors bargaining power to negotiate, on behalf of the shareholders and other constituents, with a prospective acquiror. Furthermore, a board of directors usually retains the right to redeem a poison pill at a nominal value. This right to redeem permits a board on a continuing basis to evaluate any specific acquisition proposal and determine whether to accept that proposal and redeem the rights.

Until August 20, 1998 the Poison Pill contained the Dead Hand Provision. Under the Dead Hand Provision, if there were a change in a majority of the directors of the Company, the Poison Pill would have been redeemable only by a majority of the Continuing Directors, essentially the present directors of the Company or their designees. Although AlliedSignal believed that the Dead Hand Provision was unenforceable, at least it allowed the Continuing Directors to redeem the Rights under circumstances considered appropriate by them in the exercise of their fiduciary duty.

However, at the Company Board meeting on August 20, 1998, in response to the Initial Offer, the Company amended the Poison Pill to delete the Dead Hand Provision and to adopt the more draconian Nonredemption Provision which made the rights non-redeemable by any directors, even disinterested directors, if a majority of the Company Board were persons other than the present directors of the Company or their designees. The Nonredemption Provision would continue until the expiration of the Rights Agreement on November 6, 1999. On August 20, the Board of Directors of the Company also adopted a resolution providing that, for a period of six months after the expiration of the Rights Agreement, the Company will neither adopt nor have in place a shareholder rights plan.

Although there are no cases or rulings directly on point in Pennsylvania, AlliedSignal believes that the Nonredemption Provision is invalid because it unlawfully interferes with the shareholders' rights to elect directors and because it unlawfully deprives directors of their ability to manage the business and affairs of the Company. AlliedSignal is seeking judicial relief against the Nonredemption Provision in its pending lawsuit in the Eastern District of Pennsylvania. There can be no assurance as to the outcome of this proceeding.

Section 1721 of the PBCL provides:

BOARD OF DIRECTORS -- Unless otherwise provided by statute or in a bylaw adopted by the shareholders, all powers enumerated in section 1502 (relating to general powers) and elsewhere in this subpart or otherwise vested by law in a business corporation shall be exercised by or under the authority of, and the business and affairs of every business corporation shall be managed under the direction of, a board of directors. If any such provision is made in the bylaws, the powers and duties conferred or imposed upon the board of directors by this subpart shall be exercised or performed to such extent and by such person or persons as shall be provided in the bylaws. Persons upon whom liabilities of directors are imposed by this section shall to that extent be entitled to the rights and immunities conferred by or pursuant to this part and other provisions of law upon directors of a corporation. (*Italics added*).

In addition, Article VII of the Company's Articles of Incorporation provides:

Except as otherwise provided by statute or by these Articles of Incorporation as the same may be amended from time to time or by By-laws as the same may be amended from time to time, all corporate powers may be exercised by the Board of Directors.

The provisions of Section 1721 of the PBCL relating to by-laws affecting the powers of directors are different from those of substantially all other jurisdictions. After consultation with its Pennsylvania counsel, Dechert Price & Rhoads, AlliedSignal believes that Section 1721 of the PBCL and the Company's Articles of Incorporation authorize a by-law such as that contained in the Shareholder



Rights Proposal. Accordingly, AlliedSignal believes that the Shareholder Rights Proposal, if adopted, will be valid and binding on the Company.

The Pennsylvania courts have not ruled on the validity of the use of a by-law, as proposed by AlliedSignal, to remove specified powers from the Board, such as the power to amend a poison pill, and to vest those powers in another body. Furthermore, there is limited legal authority in other jurisdictions and considerable debate concerning the legality of the use of shareholder adopted by-laws to limit directorial authority with respect to poison pills.

To ensure that the proposed By-law relating to the Rights Agreement Managing Agents, if adopted, cannot be unilaterally repealed by the Company Board, the proposed By-law amendment provides that it may be amended or repealed only by a vote of shareholders of the Company holding a majority of the outstanding voting shares of the Company.

#### NOMINEE ELECTION PROPOSALS

1. By-law Amendment Fixing Number of Directors at Twenty-Eight. This Proposal would amend Section 2.2 of Article II of the Company By-laws to fix the number of directors of the Company at twenty-eight and to provide that Section 2.2 may be amended or repealed only with the approval of shareholders of the Company holding a majority of the Company's outstanding voting shares. The text of this proposed amendment to the Company By-laws, which should be carefully reviewed, is set forth in Annex IV to this Consent Statement.

The Company By-laws currently provide that the Company Board is to consist of at least three directors, with the actual number of directors to be determined from time to time by the Company Board. The proposed By-law amendment would increase the size of the Company Board from eleven to twenty-eight so that, if the Proposal to elect the seventeen Nominees is approved, the Nominees will constitute a majority of the members of the Company Board. To ensure that this proposed amendment, if adopted, cannot be unilaterally repealed by the Company Board, the proposed amendment provides that it may be amended or repealed only by a vote of shareholders of the Company holding a majority of the outstanding voting shares of the Company.

2. By-law Amendment Permitting Shareholders to Fill Vacancies on the Company Board. This Proposal would amend Section 2.4 of Article II of the Company By-laws to provide that vacancies on the Company Board created as a result of a shareholder amendment to the Company By-laws may be filled only with the approval of shareholders of the Company holding a majority of the Company's outstanding voting shares and that this amendment to Section 2.4 may be further amended or repealed only with the approval of shareholders of the Company holding a majority of the Company's outstanding voting shares. The text of this proposed amendment to the Company By-laws, which should be carefully reviewed, is set forth in Annex IV to this Consent Statement.

The Company By-laws currently provide that vacancies on the Company Board, however caused, including vacancies resulting from an increase in the number of directors, may be filled by the Company Board. No provision is currently made for the filling of vacancies by shareholders. The proposed By-law amendment would grant to shareholders the exclusive right to elect the Nominees to fill the vacancies on the Company Board resulting from the increase in the size of the Company Board from eleven to twenty-eight members. To ensure that this proposed amendment, if adopted, cannot be repealed unilaterally by the Company Board, the proposed amendment provides that it may be amended or repealed only by a vote of shareholders of the Company holding a majority of the outstanding voting shares of the Company.

3. By-law Amendment to Clarify Inapplicability of Advance Notification Provisions to Shareholder Action by Consent. This Proposal would amend Section 1.7.2 of Article I of the Company By-laws to clarify that a shareholder seeking to nominate persons for election to the Company Board by shareholder action by written consent need not comply with the Advance Notification Provisions and to provide that this amendment to Section 1.7.2 may be further amended or repealed only with the approval of shareholders of the Company holding a majority of the Company's outstanding voting shares. The text of this proposed amendment to the Company By-laws, which should be carefully reviewed, is set forth in Annex IV to this Consent Statement.



Article IX of the Company's Articles of Incorporation provides that any action that may be taken at a meeting of the shareholders of the Company may be taken without a meeting if proper consent is made to the action. Section 1.5.3 of Article I of the Company By-laws currently provides that: 'Only persons who are nominated in accordance with the following procedures shall be eligible for election by the shareholders as directors.' The procedures set forth in Section 1.5.3 of Article I appear to apply only to nominations for election to the Company Board at meetings of shareholders. These procedures require, in general, that nominations of candidates for consideration by shareholders be submitted to the Secretary of the Company (i) with respect to an annual meeting, at least 45 days in advance of the date in the then-current year that corresponds to the date on which the Company first mailed its notice of annual meeting, proxy statement and proxy card for the prior year's annual meeting and (ii) with respect to a special meeting, by the close of business on the 10th day following the day on which notice of the date of the meeting was mailed to shareholders or public disclosure was made. The proposed amendment to Section 1.7.2 of Article I of the Company By-laws would clarify that the requirements of Section 1.5.3 of Article I of the Company By-laws are inapplicable to the election of directors pursuant to action by written consent of shareholders. To ensure that this proposed amendment, if adopted, cannot be repealed unilaterally by the Company Board, the proposed amendment provides that it may be amended or repealed only by a vote of shareholders of the Company holding a majority of the outstanding shares of the Company.

4. Election of Nominees. This Proposal would elect Hans W. Becherer, Lawrence A. Bossidy, Ann M. Fudge, Paul X. Kelley, Peter M. Kreindler, Robert P. Luciano, Robert B. Palmer, Russell E. Palmer, Frederic M. Poses, Donald J. Redlinger, Ivan G. Seidenberg, Andrew C. Sigler, John R. Stafford, Thomas P. Stafford, Richard F. Wallman, Robert C. Winters and Henry T. Yang (the 'Nominees') to serve as directors of the Company (or, if any Nominee is unable to serve as a director of the Company due to death, disability or otherwise, any other person designated as a Nominee by the remaining Nominee or Nominees).

Shareholders are being asked to elect as directors of the Company each of the seventeen Nominees named in the table below, each of whom has consented to serve as a director until the next annual meeting of shareholders or until his or her successor has been elected and qualified. AlliedSignal's primary purpose in seeking to elect the Nominees to the Company Board is to facilitate the consummation of the Second Offer and Proposed Merger. However, if elected, the Nominees, along with the other directors of the Company, would be responsible for managing the business and affairs of the Company. The Nominees understand that, as directors of the Company, each of them has an obligation under Pennsylvania law to discharge his or her duties as a director in good faith, in a manner he or she reasonably believes to be in the best interests of the Company and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. Circumstances may arise (which circumstances include the Proposed Merger as well as any proposal a third party might make to acquire or combine with the Company) in which the interests of AlliedSignal, PMA and their affiliates, on the one hand, and the interests of other shareholders of the Company, on the other hand, may differ. In these circumstances, while the Nominees currently do not have plans with respect to actions they would take, they intend to discharge their obligations owing to the Company under Pennsylvania law and in light of then prevailing circumstances, taking into account the effects of any actions taken on the Company's shareholders and other stakeholders. In addition, it is likely that, after the Nominees are seated on the Company Board, a large minority of directors on the Company Board will not be AlliedSignal nominees, but rather continuing AMP directors who will not have this type of conflict of interest.

In this regard, Section 1728 of the PBCL and the Company By-laws expressly provide that a transaction between interested parties is not void or voidable if one of three tests, set forth in Section 1728 and the Company By-laws, is satisfied. These tests are: (i) disclosure of the material facts concerning the conflict to the Company Board and approval of the transaction by a majority of the disinterested Company directors; (ii) disclosure of the material facts concerning the conflict to the Company shareholders and approval in good faith by the requisite vote of the Company shareholders; or (iii) the transaction is fair to the Company. The Nominees, if elected, intend to comply with Section 1728 and the Company By-laws in all applicable circumstances. In addition (i) under the Company's Articles of Incorporation, any merger agreement (except for a merger agreement with a shareholder



who owns 80% or more of the Company's Common Stock) entered into by the Company would be subject to the affirmative vote of at least 66 2/3% of the votes cast by all of the shareholders of the Company entitled to vote and (ii) if a Proposed Merger is consummated involving all or part cash consideration, dissenters' rights would be provided in accordance with Section 1930(a) of the PBCL. See 'DISSENTERS' RIGHTS' below.

Although AlliedSignal and PMA have no reason to believe that any of the Nominees may be unable or unwilling to serve as directors, if any of the Nominees is unable to serve as a director of the Company due to death, disability or otherwise, the remaining Nominee or Nominees may designate another person or persons to replace the Nominee or Nominees unable to serve.

Set forth below are the name, age, business address, present principal occupation and employment history of each of the Nominees for at least the past five years. This information has been furnished to AlliedSignal by the respective Nominees. Each of the Nominees has consented to serve as a director. Each of the Nominees is at least 18 years of age. None of the entities referenced below is a parent or subsidiary of the Company.

NAME, AGE AND BUSINESS ADDRESS	PRESENT PRINCIPAL OCCUPATION AND FIVE YEAR EMPLOYMENT HISTORY
Hans W. Becherer, 63 Deere & Company One John Deere Place Moline, IL 61265-8098	Mr. Becherer is Chairman and Chief Executive Officer of Deere & Company, a manufacturer of mobile power machinery and a supplier of financial services. After serving in a variety of managerial and executive positions, he became a director of Deere in 1986 and was elected President and Chief Operating Officer in 1987, President and Chief Executive Officer in 1989 and Chairman and Chief Executive Officer in 1990. He is a director of AlliedSignal, The Chase Manhattan Corporation and Schering-Plough Corporation.
Lawrence A. Bossidy, 63 AlliedSignal Inc. 101 Columbia Road Morristown, NJ 07962	Mr. Bossidy has been Chief Executive Officer of AlliedSignal since July 1991 and Chairman of the Board of Directors of AlliedSignal since January 1992. He previously served in a number of executive and financial positions with General Electric Company. Mr. Bossidy was Chief Operating Officer of General Electric Credit Corporation (now General Electric Capital Corporation) from 1979 to 1981, Executive Vice President and Sector Executive of GE's Services and Materials Sector from 1981 to 1984, and Vice Chairman and Executive Officer of GE from 1984 until he joined AlliedSignal. He is a director of Champion International Corporation, J. P. Morgan & Co. Incorporated and Merck & Co., Inc. Mr. Bossidy is also a director of PMA.
Ann M. Fudge, 47 Maxwell House and Post Division Kraft Foods, Inc. 555 South Broadway Mail Code TA1-2 Tarrytown, NY 10591	Ms. Fudge, Executive Vice President of Kraft Foods, Inc., joined General Foods USA in 1986 and held several planning and marketing positions before being appointed Executive Vice President and General Manager of the Dinners and Enhancers Division in 1991. In 1994, she was named President of Kraft General Foods' Maxwell House Coffee Company. In 1995, Ms. Fudge assumed her current position while continuing to head the Maxwell House Coffee Division as General Manager. She became President of Kraft's Maxwell House and Post Division in 1997. Kraft is the multinational food business of Philip Morris Companies Inc. Ms. Fudge is a director of AlliedSignal and Liz Claiborne, Inc.





NAME, AGE AND  
BUSINESS ADDRESS

PRESENT PRINCIPAL OCCUPATION AND FIVE YEAR EMPLOYMENT HISTORY

Paul X. Kelley, 69  
700 13th Street, N.W.  
Suite 400  
Washington, DC  
20005-5917

General Kelley is a Partner of J.F. Lehman & Company, an investment firm. He previously was Vice Chairman of Cassidy & Associates, Inc., a Washington-based government relations firm, from 1989 until early 1998, and he served as Commandant of the Marine Corps and as a Member of the Joint Chiefs of Staff from 1983 until his retirement in 1987. General Kelley is a director of AlliedSignal, GenCorp Inc., Saul Centers, Inc., Sturm, Ruger & Company, Inc., UST Inc. and The Wackenhut Corporation.

Peter M. Kreindler, 53  
AlliedSignal Inc.  
101 Columbia Road  
Morristown, NJ 07962

Mr. Kreindler has been Senior Vice President, General Counsel and Secretary of AlliedSignal since December 1994. He was Senior Vice President and General Counsel of AlliedSignal from March 1992 to November 1994. Mr. Kreindler is also a director and Vice President and Secretary of PMA.

Robert P. Luciano, 64  
Schering-Plough Corporation  
One Giralda Farms  
Madison, NJ 07940

Mr. Luciano is Chairman of the Board of Schering-Plough Corporation, a manufacturer and marketer of pharmaceuticals and consumer products, which he joined in 1978. He served as President from 1980 to 1986 and Chief Executive Officer from 1982 through 1995. He has been Chairman of the Board since 1984. He is a director of AlliedSignal, C.R. Bard, Inc. and Merrill Lynch & Co.

Robert B. Palmer, 57  
124 Mount Auburn Street  
Suite 200 North  
Cambridge, MA 02138

Mr. Palmer is the former Chairman, President and Chief Executive Officer of Digital Equipment Corporation, a provider of networked computer systems, software and services. He had advanced through a series of executive positions after joining Digital in 1985, becoming President and Chief Executive Officer in 1992 and Chairman of the Board in 1995. He is a director of AlliedSignal.

Russell E. Palmer, 64  
The Palmer Group  
3600 Market Street, Suite 530  
Philadelphia, PA 19104

Mr. Palmer is Chairman and Chief Executive Officer of The Palmer Group, a private investment firm he established in 1990 after serving seven years as Dean of The Wharton School of the University of Pennsylvania. He previously served as Managing Director and Chief Executive Officer of Touche Ross International and Managing Partner and Chief Executive Officer of Touche Ross & Co. (USA) (now Deloitte and Touche). He is a director of AlliedSignal, Bankers Trust Company, Bankers Trust New York Corporation, Federal Home Loan Mortgage Corporation, GTE Corporation, The May Department Stores Company and Safeguard Scientifics, Inc.

Frederic M. Poses, 55  
AlliedSignal Inc.  
101 Columbia Road  
Morristown, NJ 07962

Mr. Poses began his career with AlliedSignal in 1969 and advanced through a number of managerial and executive positions until he was named President of the Plastics and Engineered Materials Division in 1983, President of the Fibers Division in 1986, and President of AlliedSignal Engineered Materials in 1988, when he was also elected Executive Vice President of AlliedSignal. In 1997, he was named Vice Chairman and elected to the Board of Directors of AlliedSignal. In June 1998, he became President and Chief Operating Officer. He is also a director and President of PMA.

Donald J. Redlinger, 53  
AlliedSignal Inc.  
101 Columbia Road  
Morristown, NJ 07962

Mr. Redlinger has been Senior Vice President -- Human Resources and Communications of AlliedSignal since February 1995. He was Senior Vice President -- Human Resources of AlliedSignal from January 1991 to January 1995.



NAME, AGE AND  
BUSINESS ADDRESS

PRESENT PRINCIPAL OCCUPATION AND FIVE YEAR EMPLOYMENT HISTORY

Ivan G. Seidenberg, 51  
Bell Atlantic Corporation  
1095 Avenue of the Americas,  
39th Floor  
New York, NY 10036

Mr. Seidenberg is Vice Chairman, President and Chief Executive Officer of Bell Atlantic Corporation, a telecommunications and information services provider. He had previously held several senior management positions with NYNEX Corporation, which he joined in 1983, before becoming a director and Vice Chairman of the Board in 1991, President and Chief Operating Officer in 1994, and Chairman and Chief Executive Officer in 1995. He became Vice Chairman, President and Chief Operating Officer of Bell Atlantic Corporation in 1997 and assumed his current position in 1998. He is a director of AlliedSignal, American Home Products Corporation, Boston Properties, Inc., CVS Corporation and Viacom Inc.

Andrew C. Sigler, 66  
Champion International  
Corporation  
One Champion Plaza  
Stamford, CT 06921

Mr. Sigler retired as Chairman and Chief Executive Officer of Champion International Corporation, a paper and forest products company, in 1996. He was elected President and Chief Executive Officer of Champion in 1974 and Chairman and Chief Executive Officer in 1979. He is a director of AlliedSignal, The Chase Manhattan Corporation and General Electric Company.

John R. Stafford, 60  
American Home Products  
Corporation  
Five Giralda Farms  
Madison, NJ  
07940-0874

Mr. Stafford is Chairman, President and Chief Executive Officer of American Home Products Corporation, a manufacturer of pharmaceutical, health care, animal health and agricultural products. After joining that company in 1970, he held a number of executive positions before becoming President in 1981, an office he held until 1990 and which he resumed in early 1994. He was elected Chairman of the Board and Chief Executive Officer in 1986. He is a director of AlliedSignal, Bell Atlantic Corporation, The Chase Manhattan Corporation and Deere & Company.

Thomas P. Stafford, 67  
1006 Cameron Street  
Alexandria, VA 22314

Lt. Gen. Stafford joined the consulting firm of General Technical Services, Inc. in 1984. He is also Vice Chairman and co-founder of Stafford, Burke and Hecker, Inc., a Washington-based consulting firm. After serving as an astronaut for a number of years, he retired in 1979 from the Air Force as Deputy Chief of Staff for Research, Development and Acquisition and served as Vice Chairman of Gibraltar Exploration Limited until 1984. Lt. Gen. Stafford is also Chairman of the Board of Omega Watch Corporation of America and is a director of AlliedSignal, CMI Corporation, Cycomm International Inc., Seagate Technology Inc., Timet Inc., Tracor, Inc. and Tremont Corporation.

Richard F. Wallman, 47  
AlliedSignal Inc.  
101 Columbia Road  
Morristown, NJ 07962

Mr. Wallman has been Senior Vice President and Chief Financial Officer of AlliedSignal since March 1995. He was Vice President and Controller of International Business Machines Corp. (IBM), a manufacturer of information-handling systems, from April 1994 to February 1995 and General Assistant Controller of IBM from October 1993 to March 1994. He was Assistant Controller -- Sales & Marketing of Chrysler Corporation from April 1989 to September 1993.



NAME, AGE AND  
BUSINESS ADDRESS

PRESENT PRINCIPAL OCCUPATION AND FIVE YEAR EMPLOYMENT HISTORY

Robert C. Winters, 66  
The Prudential Insurance  
Company  
751 Broad Street  
11th Floor  
Newark, NJ 07102-3777

Mr. Winters retired as Chairman and Chief Executive Officer and became Chairman Emeritus of The Prudential Insurance Company of America, a provider of insurance and financial services, in December 1994. During his career with Prudential, which he joined in 1953, he held various managerial positions prior to his election as Executive Vice President in 1978, Vice Chairman in 1984 and Chairman and Chief Executive Officer in 1987. He is also a director of AlliedSignal.

Henry T. Yang, 57  
University of California,  
Santa Barbara  
5221 Cheadle Hall  
Santa Barbara, CA 93106-2030

Dr. Yang became Chancellor of the University of California, Santa Barbara in 1994. Prior to his current position, he served in a number of faculty and administrative positions at Purdue University, starting in 1969. He became Head of Purdue's School of Aeronautics and Astronautics in 1979 and served as Dean of the School of Engineering and Director of the Computer Integrated Design, Manufacturing and Automation Center from 1984 until he joined the University of California. He is also a director of AlliedSignal.

Annex III sets forth certain information relating to the Nominees' ownership of shares of the Company Common Stock and with respect to transactions between any of them and the Company.

It is contemplated that each Nominee will be reimbursed for his or her reasonable out-of-pocket expenses incurred in the performance of his or her service as a Nominee. Under AlliedSignal's Certificate of Incorporation, AlliedSignal is obligated to indemnify and hold harmless against all expenses, liabilities and losses each person who is made a party to any action or proceeding by reason of the fact that he or she is a director, officer or employee of AlliedSignal or is serving at the request of AlliedSignal as a director, officer or employee of another company, to the fullest extent permitted by Delaware law.

In accordance with applicable regulations of the Commission, the BLUE consent card delivered with this Consent Statement provides each shareholder of the Company with the opportunity to designate the names of any of the Nominees whom he or she does not desire to elect to the Company Board. ALLIEDSIGNAL AND PMA URGE SHAREHOLDERS TO VOTE FOR ALL OF THE NOMINEES ON THE BLUE CONSENT CARD DELIVERED WITH THIS CONSENT STATEMENT.

5. Repeal of By-laws Adopted Subsequent to July 22, 1998 and Prior to the Effectiveness of the Proposals and the Seating of the Nominees. This Proposal would repeal each provision of and amendment to the Company By-laws adopted subsequent to July 22, 1998 and prior to the effectiveness of the Proposals and the seating of a sufficient number of Nominees so that the Nominees constitute a majority of the Company Board.

This Proposal is designed to prevent the Company Board from taking actions to amend the Company By-laws to attempt to nullify or delay the actions taken by the shareholders pursuant to the Proposals or to create new obstacles to the consummation of the Second Offer and Proposed Merger. According to publicly available information, the most recent version of the Company By-laws were adopted on July 22, 1998, and no amendments subsequent to that date have been publicly disclosed. If the Company Board has adopted since July 22, 1998, or adopts prior to the adoption of the Proposals and the seating of a sufficient number of Nominees so that Nominees constitute a majority of the Company Board, any amendments to the Company By-laws, this Proposal would repeal those amendments.

AlliedSignal and PMA have been advised by Dechert Price & Rhoads, Pennsylvania counsel to AlliedSignal and PMA, that, in their view, although there are no cases on point, this By-law amendment, if approved, will be valid under Pennsylvania law. However, should this By-law amendment be invalidated, any amendment to the Company By-laws duly adopted prior to the seating of the Nominees would be effective until further amended or repealed by a valid By-law amendment. Should



the Company Board adopt any material amendment(s) to the Company By-laws which are relevant to the Proposals, the Second Offer or the Proposed Merger prior to the effectiveness of this proposed By-law amendment, AlliedSignal and PMA may be required to disseminate additional materials relating to such amendment(s) to Company shareholders as soon as practicable following AlliedSignal and PMA's learning of such By-law amendments.

The effectiveness of each of the Nominee Election Proposals is subject to, and conditioned upon, the adoption of each of the other Nominee Election Proposals by the holders of record, as of the close of business on the Record Date, of a majority of the shares of Company Common Stock then outstanding. However, if Nominee Election Proposal 5 is not so adopted, AlliedSignal reserves the right to waive, but only with respect to Nominee Election Proposal 5, this condition.

#### VOTING SECURITIES AND PRINCIPAL HOLDERS

According to the Company's Articles of Incorporation, the shares of Company Common Stock constitute the only class of outstanding voting securities of the Company. Accordingly, only holders of Company Common Stock are entitled to execute consents. The Company stated in its Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1998, that, as of July 27, 1998, there were 218,601,033 shares of Company Common Stock outstanding. Each share of Company Common Stock entitles its record holder to one vote. Shareholders of the Company do not have cumulative voting rights.

As reported by the Company in its revised Preliminary Proxy Statement, filed with the Commission on August 26, 1998 (the 'Consent Revocation Statement'), as of August 20, 1998, no person was known to management to own beneficially more than 5% of the outstanding shares of Company Common Stock.

For information relating to the ownership of Company Common Stock by directors and executive officers of the Company, see Annex I.

#### CERTAIN INFORMATION CONCERNING ALLIEDSIGNAL AND PMA

AlliedSignal is a Delaware corporation with its principal executive offices located at 101 Columbia Road, Morristown, NJ 07962. AlliedSignal is an advanced technology and manufacturing company serving customers worldwide with aerospace and automotive products, chemicals, fibers, plastics and advanced materials. AlliedSignal is organized into eleven strategic business units and reports its results of operations in the following five business segments: Aerospace Systems, Specialty Chemicals & Electronic Solutions, Turbine Technologies, Performance Polymers and Transportation Products. AlliedSignal's products are used by major industries including textiles, construction, plastics, electronics, automotive, chemicals, housing, telecommunications, utilities, packaging, agriculture, military and commercial aviation and aerospace and in the space program.

AlliedSignal is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and, in accordance therewith, files reports and other documents with the Commission relating to its business, financial condition and other matters. These reports and other documents should be available for inspection at the public reference facilities of the Commission at 450 Fifth Street, N.W., Washington, DC 20549, and at the regional offices of the Commission located at Seven World Trade Center, 13th Floor, New York, NY 10048 and Citicorp Center, 500 West Madison Street (Suite 1400), Chicago, IL 60661. Copies of AlliedSignal's filings with the Commission should be obtainable, by mail, upon payment of the Commission's customary charges, by writing to the Commission's principal office at 450 Fifth Street, N.W., Washington, DC 20549. The Commission also maintains an Internet web site at <http://www.sec.gov> that should contain electronic copies of AlliedSignal's filings with the Commission. Copies of AlliedSignal's filings with the Commission should also be available for inspection at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, NY 10005.

PMA is a newly incorporated Delaware corporation organized in connection with the Initial Offer and has not conducted any activities other than in connection with the Initial Offer, the Amended Offer and this consent solicitation. The principal office of PMA is located at 101 Columbia Road, Morristown, NJ 07962. PMA is a wholly owned subsidiary of AlliedSignal. It is expected that, until immediately prior





to the time that PMA will purchase Shares pursuant to the Amended Offer, the Second Offer or Proposed Merger, PMA will not have any significant assets or liabilities or engage in activities other than those incident to its formation and capitalization and the transactions contemplated by the Amended Offer, the Second Offer and Proposed Merger.

Certain information about the employees and representatives of AlliedSignal other than Nominees who may also assist Morrow in soliciting consents is set forth in the attached Annex II. Annex III sets forth certain information relating to the ownership of Shares by PMA, AlliedSignal, and certain of AlliedSignal's employees and representatives, and with respect to certain transactions between any of them and the Company.

#### SOLICITATION OF CONSENTS

Solicitation of consents may be made by the directors, officers, investor relations personnel and other employees of AlliedSignal, PMA and their affiliates and by the Nominees. Consents will be solicited by mail, advertisement, telephone or telecopier and in person. No such persons will receive additional compensation for such solicitation.

In addition, AlliedSignal and PMA have retained Morrow to assist in the solicitation, for which services Morrow will be paid a fee of \$250,000 and will be reimbursed for its reasonable out-of-pocket expenses. AlliedSignal has also agreed to indemnify Morrow against certain liabilities and expenses, including certain liabilities and expenses under the Federal securities laws. It is anticipated that between 50 to 75 persons will be employed by Morrow to solicit shareholders. Morrow is also acting as Information Agent in connection with the Offer, for which Morrow will be paid reasonable and customary compensation in addition to reimbursement of reasonable out-of-pocket expenses.

Banks, brokers, custodians, nominees and fiduciaries will be requested to forward solicitation material to beneficial owners of the shares of Company Common Stock. AlliedSignal will reimburse banks, brokers, custodians, nominees and fiduciaries for their reasonable expenses for sending solicitation material to the beneficial owners.

Lazard Freres & Co. LLC ('Lazard') and Goldman, Sachs & Co. ('Goldman Sachs') are acting as Dealer Managers in connection with the Amended Offer and as investment bankers for AlliedSignal and PMA in connection with the Amended Offer and related transactions. AlliedSignal and PMA have agreed to pay each of Lazard and Goldman Sachs \$12,000,000 in connection therewith. AlliedSignal and PMA have also agreed to reimburse Lazard and Goldman Sachs for their reasonable out-of-pocket expenses, including the reasonable fees and expenses of their counsel and to indemnify Lazard and Goldman Sachs and certain related persons against certain liabilities and expenses, including certain liabilities and expenses under the Federal securities laws.

In connection with the engagement of Lazard and Goldman Sachs as investment bankers, AlliedSignal and PMA anticipate that three representatives of Lazard and four representatives of Goldman Sachs may communicate in person, by telephone or otherwise, with a limited number of institutions, brokers or other persons who are shareholders of the Company for the purpose of assisting in the solicitation of consents. Neither Lazard nor Goldman Sachs will receive any additional fee for or in connection with such solicitation activities by its representatives apart from the fees it is otherwise entitled to receive as described above.

Certain information about the employees of AlliedSignal who are not Nominees and certain representatives of PMA and AlliedSignal who will assist Morrow in soliciting consents is set forth in Annex II. Annex III sets forth certain information relating to the ownership of shares of the Company Common Stock by AlliedSignal and PMA, their directors, executive officers, employees and representatives, and the Nominees, and with respect to transactions between any of them and the Company.

The cost of the solicitation of consents to the Proposals will be borne by AlliedSignal. AlliedSignal will not seek reimbursement of the costs of this solicitation from the Company. Costs related to the solicitation of consents to the Proposals include expenditures for attorneys, accountants, investment bankers, consent solicitors, public relations advisors, printing, advertising, postage, litigation and related expenses and filing fees and are expected to aggregate approximately \$ million, of which \$



million has been spent to date. The portion of such costs allocable solely to the solicitation of consents to the Proposals is not readily determinable.

#### CONSENT PROCEDURE

Section 2524 of the PBCL states that actions may be authorized by shareholders by less than unanimous written consent if permitted by a corporation's articles of incorporation. Article IX of the Company's Articles of Incorporation provides that 'any action that may be taken at a meeting of the shareholders . . . may be taken without a meeting if proper consent is made to the action.' It further states that 'any such action may be taken without a meeting upon the written consent of shareholders that would be necessary to authorize the action at a meeting at which all shareholders entitled to vote were present and voting.'

Section 1763 of the PBCL provides that, unless otherwise provided in a corporation's bylaws, if no record date has been fixed by the board of directors, the record date for determining shareholders entitled to consent to corporate action in writing without a meeting shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation. Section 1.7.2 of the Company By-laws provides that any shareholder seeking to have the shareholders of the Company authorize or take action by written consent shall, by written notice to the Secretary of the Company, request that the Company Board fix a record date. The Company Board is required to promptly, but in all events within 10 days of the date on which the request is received, adopt a resolution fixing the record date. If the Company Board does not fix a record date within 10 days after the receipt of the request, the record date for the solicitation will be the date on which the first signed consent is delivered to the Company. On August 11, AlliedSignal and PMA requested that the Company Board fix August 31, 1998 as the record date for the consent solicitation made hereby. On August 21, 1998, the Company Board fixed October 15, 1998 as the Record Date for the Nominee Election Proposals. AlliedSignal has asked the Company to confirm that October 15, 1998 will also be the record date for the Shareholder Rights Proposal.

#### EFFECTIVENESS AND REVOCATION OF CONSENTS

The corporate actions proposed herein will be adopted when properly completed, unrevoked consents consenting to the Proposals are signed by the holders of record as of the close of business on the Record Date of a majority of the shares of Company Common Stock then outstanding, and such consents are delivered to the Company, provided that the requisite consents are so delivered within 90 days of the Record Date.

THE SHAREHOLDER RIGHTS PROPOSAL IS SEPARATE AND DISTINCT FROM THE NOMINEE ELECTION PROPOSALS. COMPANY SHAREHOLDERS MAY APPROVE THE SHAREHOLDER RIGHTS PROPOSAL WITHOUT APPROVING THE NOMINEE ELECTION PROPOSALS, MAY APPROVE SOME OR ALL OF THE NOMINEE ELECTION PROPOSALS WITHOUT APPROVING THE SHAREHOLDER RIGHTS PROPOSAL, OR MAY APPROVE ALL OF THE PROPOSALS.

The effectiveness of each Nominee Election Proposal is subject to, and conditional upon, the adoption of all other Nominee Election Proposals by the holders of record, as of the close of business on the Record Date, of a majority of the shares of Company Common Stock then outstanding. However, if Nominee Election Proposal 5 is not adopted, AlliedSignal reserves the right to waive, but only with respect to Nominee Election Proposal 5, this condition.

Under Section 1.7.3 of the Company By-laws, the Secretary of the Company is required to designate an independent qualified inspector in connection with this consent solicitation. The inspector is required, as soon as practicable after receipt of written consents for adoption of the Proposals, to conduct such reasonable investigations as the inspector deems necessary or appropriate for the purpose of ascertaining the validity of the consents, including determining whether the holders of shares of Company Common Stock having the requisite voting power to authorize the Proposals have given consent. If, after this investigation, the inspector determines that actions proposed by this consent solicitation have been validly taken, that fact is to be certified on the Company's records. AlliedSignal and PMA plan to present the results of a successful solicitation with respect to the corporate actions proposed to the Company as soon as possible.



An executed consent card may be revoked by signing, dating and delivering a written revocation at any time prior to the date that the Company has received the required number of properly completed, unrevoked consents to authorize the proposed actions. The delivery of a subsequently dated consent card that is properly completed and signed will constitute a revocation of any earlier consent card delivered by such holder. The revocation may be delivered either to AlliedSignal and PMA in care of Morrow & Co., Inc., 445 Park Avenue, 5th Floor, New York, NY 10022, or to the Company at 470 Friendship Road, Harrisburg, PA 17111 or any other address provided by the Company. Although a revocation is effective if delivered to the Company, AlliedSignal and PMA request that either the original or photostatic copies of all revocations of consents be mailed or delivered to AlliedSignal and PMA in care of Morrow at the address set forth above, so that AlliedSignal and PMA will be aware of all revocations and can more accurately determine if and when unrevoked consents to the actions described in this Consent Statement have been received from the holders of record on the Record Date of a majority of outstanding shares of Company Common Stock.

#### SPECIAL INSTRUCTIONS

If you were a record holder of shares of Company Common Stock as of the close of business on the Record Date, you may elect to consent to, withhold consent to or abstain with respect to each Proposal by marking the 'CONSENT,' 'DOES NOT CONSENT' or 'ABSTAIN' box, as applicable, underneath each such Proposal on the accompanying BLUE consent card and signing, dating and returning it promptly in the enclosed post-paid envelope.

If the shareholder signing, dating and returning the BLUE consent card has failed to check a box marked 'CONSENT,' 'DOES NOT CONSENT' or 'ABSTAIN' for all of the Proposals, such shareholder will be deemed to have consented to all of the Proposals, except that such shareholder will not be deemed to have consented to the election of any Nominee whose name is written in on the consent card.

Because the Shareholder Rights Proposal and the Nominee Election Proposals will become effective only if properly completed, unrevoked consents consenting to the Proposals are signed and returned by holders of record as of the close of business on the Record Date of a majority of the total number of shares of Company Common Stock then outstanding, any failure to execute and return a consent, and all abstentions and broker non-votes, will have the same effect as voting against the Proposals.

ALLIEDSIGNAL AND PMA RECOMMEND THAT YOU CONSENT TO EACH OF THE PROPOSALS.

YOUR CONSENT IS IMPORTANT. PLEASE MARK, SIGN AND DATE THE ENCLOSED BLUE CONSENT CARD AND RETURN IT IN THE ENCLOSED POSTAGE-PAID ENVELOPE PROMPTLY. FAILURE TO RETURN YOUR CONSENT CARD WILL HAVE THE SAME EFFECT AS VOTING AGAINST THE PROPOSALS.

If your shares of Company Common Stock are held in the name of a brokerage firm, bank nominee or other institution, only such entity can execute a consent with respect to your shares of Company Common Stock and only upon receipt of specific instructions from you. Accordingly, you should contact the person responsible for your account and give instructions for the BLUE consent card to be signed representing your shares of Company Common Stock. AlliedSignal and PMA urge you to confirm in writing your instructions to the person responsible for your account and provide a copy of those instructions to AlliedSignal and PMA in care of Morrow at the address set forth above so that AlliedSignal and PMA will be aware of all instructions given and can attempt to ensure that such instructions are followed.

#### DISSENTERS' RIGHTS

Shareholders of the Company are not entitled to dissenters' rights in connection with the Proposals.

If a Proposed Merger is consummated involving all or part cash consideration, dissenters' rights would be provided in accordance with Section 1930(a) of the PBCL. In that event, any issued and



outstanding shares of Company Common Stock held by persons who object to the Proposed Merger and comply with all the provisions of the PBCL concerning the right of holders of Shares to dissent from the Proposed Merger and require valuation of their shares of Company Common Stock will not be converted into the right to receive the consideration to be paid pursuant to the Proposed Merger but will become the right to receive payment of the 'fair value' of their shares of Company Common Stock (exclusive of any element of appreciation or depreciation in anticipation of the Proposed Merger).

Dissenters' rights cannot be exercised at this time. Shareholders who will be entitled to dissenters' rights in connection with the Proposed Merger (or similar business combination) will receive additional information concerning any available dissenters' rights and the procedures to be followed in connection therewith before the shareholders have to take any action relating thereto.

EXECUTING A WRITTEN CONSENT IN FAVOR OF THE PROPOSALS WILL NOT PREVENT A SHAREHOLDER FROM DEMANDING APPRAISAL OF HIS OR HER SHARES IN CONNECTION WITH THE PROPOSED MERGER.

#### LITIGATION

On August 4, 1998, AlliedSignal filed a complaint against the Company in the Eastern District of Pennsylvania, styled AlliedSignal Inc. v. AMP Incorporated, C.A. No. 98-CV-4058 (JTG) (the 'AlliedSignal Complaint'), which is now being amended as set forth below.

On August 21, 1998, the Company filed a complaint against AlliedSignal and PMA in the Eastern District of Pennsylvania styled AMP Incorporated v. AlliedSignal Corporation and PMA Acquisition Corporation, C.A. No. 98-CV-4405 (the 'Company Action'). The complaint seeks: (i) declaratory relief declaring that the proposals set forth in AlliedSignal's consent solicitation are contrary to Pennsylvania law because AlliedSignal's Nominees 'could not fulfill their fiduciary duties both to [AlliedSignal] and its shareholders and to [the Company]'; and (ii) injunctive relief prohibiting AlliedSignal from (a) soliciting consents, (b) pursuing the Initial Offer, and (c) soliciting any consents unless full and accurate disclosure is made regarding the nature of AlliedSignal's proposals. AlliedSignal and PMA believe there is no merit to the Company's allegations and intend to vigorously defend themselves against this lawsuit.

On August 24, 1998, the Company filed an Answer to the AlliedSignal Complaint denying AlliedSignal's contentions and asserting as affirmative defenses that (i) the AlliedSignal Complaint fails to state a claim for which relief may be granted, (ii) AlliedSignal does not have standing to bring the claims and (iii) the claims are moot because the Rights Agreement has been amended and the 'Dead Hand Provision' has been removed.

On September 11, 1998, in the Company Action, the Company filed a motion for Partial Summary Judgment in the Nature of a Declaratory Judgment seeking a declaration that AlliedSignal's consent solicitation plan is 'unlawful and in violation of Pennsylvania law and public policy' on the ground that allegedly AlliedSignal's 'plan to pack AMP's Board [with AlliedSignal's nominees] will create a pervasive and irreconcilable conflict of interest -- one that is abhorrent to the law and public policy of the Commonwealth.' AlliedSignal requested that the hearing on that motion be scheduled to be heard on September 28, 1998.

AlliedSignal is filing a motion to amend the AlliedSignal Complaint (the 'Amended Complaint'). The Amended Complaint will seek: (i) declaratory and injunctive relief declaring the Nonredemption Provision invalid under Pennsylvania law; or to the extent that the Nonredemption Provision and other anti-takeover devices that preclude tender offers and consent solicitations are permitted under Pennsylvania law, declaring this law as so applied unconstitutional under the Supremacy and Commerce Clauses of the United States Constitution and (ii) declaratory and injunctive relief prohibiting any effort by the Company Board to manipulate or otherwise subvert the process of corporate democracy by (a) amending the Company By-laws, (b) taking advantage of the delay of the Record Date until October 15, 1998, to manipulate the corporate machinery or thwart or interfere with the Offer or this Consent Solicitation, or (c) taking any other action to frustrate the Offer or this Consent Solicitation.

AlliedSignal is also filing a motion for (1) partial summary judgment on its claim for a declaratory judgment in the Amended Complaint that the Nonredemption Provision is ultra vires and invalid, or, in





the alternative, a preliminary injunction restraining enforcement of the Nonredemption Provision; and (2) a preliminary injunction prohibiting the Company Board from amending the Company By-laws or Rights Agreement or taking any other action that would, as a practical matter, make the shareholder vote on this Consent Solicitation meaningless. AlliedSignal will request that its motion be heard on the same date on which the Court schedules the hearing on the Company's motion in the Company Action.

ALLIEDSIGNAL INC.  
PMA ACQUISITION CORPORATION



If you have any questions or require any assistance in executing or delivering your consent, please call:

MORROW & CO., INC.

445 Park Avenue  
5th Floor  
New York, New York 10022  
Toll Free (800) 566-9061  
Call Collect (212) 754-8000  
Banks and Brokerage Firms Please Call:  
(800) 662-5200

Dated: September 14, 1998



ANNEX I  
SHARE OWNERSHIP OF THE COMPANY'S DIRECTORS AND OFFICERS

The information set forth under the captions 'SECURITY OWNERSHIP OF DIRECTORS' and 'SECURITY OWNERSHIP OF EXECUTIVE OFFICERS' is excerpted from the Consent Revocation Statement. Although AlliedSignal does not have any knowledge that would indicate that any information contained in such excerpt is inaccurate or incomplete, AlliedSignal does not take any responsibility for the accuracy or completeness of such information.

SECURITY OWNERSHIP OF DIRECTORS

The following table sets forth, as of August 20, 1998, the number of shares of Common Stock beneficially owned by each of the Company's directors.

NAME OF BENEFICIAL OWNER	AMOUNT OF BENEFICIAL OWNERSHIP (SHARES) (1)(2)	AMOUNT OF PHANTOM OWNERSHIP (SHARES) (3)	TOTAL BENEFICIAL AND PHANTOM OWNERSHIP (SHARES)
Ralph D. DeNunzio.....	10,000	3,192	13,192
Barbara Hackman Franklin.....	7,400	1,892	9,292
Joseph M. Hixon III.....	1,651,114(5)	8,305	1,659,419
William J. Hudson, Jr.....	409,138(8)(9)	35,957(4)	445,095
Joseph Magliochetti.....	4,000	2,183	6,183
Harold A. McInnes.....	42,689	0	42,689
Jerome J. Meyer.....	7,300	3,160	10,460
John C. Morley.....	9,400	6,969	16,369
Robert Ripp.....	170,643(6)(8)(9)	16,314(4)	186,957
Paul G. Schloemer.....	10,000(7)	0	10,000
Takeo Shiina.....	8,120	2,811	10,931

(1) Each director owns less than 1% of the Company's outstanding Common Stock.

(2) Unless otherwise indicated, each director possesses sole voting and dispositive power (beneficial ownership) with respect to the shares set forth opposite his or her name. Numbers shown in this column include options the director has the right to acquire as beneficial owner within sixty days after August 20, 1998.

(3) Numbers shown in this column include phantom shares: (i) credited to outside directors under the Outside Directors Deferred Stock Accumulation Plan; and (ii) credited to outside and non-employee directors for compensation deferred at the election of the director as described on page of the Consent Revocation Statement.

(4) Designated executive officers of the Company may defer up to 50% of their base salary and all officers are entitled to defer receipt of all or a portion of their annual cash bonus. Deferred compensation may be allocated to a phantom AMP Common Stock account under the Company's Deferred Compensation Plan as described in footnote 1 to the Summary Compensation Table on page of the Consent Revocation Statement. Such phantom shares are reported in this number. This number also includes phantom shares of Common Stock credited to the designated executive officer in an amount equal to the dividend earned on Performance Restricted Shares, as described in footnote 3 to the Summary Compensation Table on page and footnote 3 to the Security Ownership of Executive Officers Table on page of the Consent Revocation Statement.

(5) Mr. Hixon holds 15,791 and 120,000 of these shares in two limited partnerships and shares voting and dispositive powers. In addition to the beneficial ownership shown in the table, Mr. Hixon has a 2% residual beneficial interest but no voting or dispositive powers in a trust that holds 7,392 shares of Common Stock of the Company.

(6) In connection with the assumption of his new positions with AMP, Mr. Ripp was granted (i) options under the 1993 Long-Term Equity Incentive Plan to purchase 60,000 shares of Common Stock at an

(footnotes continued on next page)



(footnotes continued from previous page)

exercise price equal to \$44.85 per share, which options will vest 100% after three years, and (ii) a restricted stock award of 25,000 shares of Common Stock, vesting on August 1, 2006 (Mr. Ripp's normal retirement date) or at his earlier death, disability or mutually agreed upon termination of employment.

(7) Mr. Schloemer holds 1,400 of these shares of Common Stock of the Company in a family trust of which he is co-trustee with his wife and shares voting and dispositive powers.

(8) A portion of the shares reported for Messrs. Hudson and Ripp are Performance Restricted Shares granted under the Company's 1993 LongTerm Equity Incentive Plan. Further, a portion of the shares reported for Messrs. Hudson and Ripp are held in the Company's Employee Savings and Thrift Plan.

(9) Under the Company's former Bonus Plan (Stock Plus Cash), at August 20, 1998, Mr. Hudson also had 6,668 Stock Bonus Units. Under the current 1993 Long-Term Equity Incentive Plan, Mr. Hudson has 419,500 Stock Options, including 61,800 Stock Options transferred to a family limited partnership for the benefit of Mr. Hudson's immediate family; Mr. Ripp has 208,400 Stock Options. Vesting of Stock Options will accelerate upon a change of control.





SECURITY OWNERSHIP OF EXECUTIVE OFFICERS

The following table sets forth, as of August 20, 1998, the number of shares of Common Stock beneficially owned by each of the Company's executive officers.

NAME AND ADDRESS OF BENEFICIAL OWNER	AMOUNTS AND NATURE OF BENEFICIAL OWNERSHIP (SHARES)	BENEFICIAL OWNERSHIP AS A PERCENT OF CLASS	AMOUNT OF PHANTOM OWNERSHIP (SHARES) (2)	TOTAL BENEFICIAL AND PHANTOM OWNERSHIP (SHARES)
William J. Hudson, Jr. .... Harrisburg, Pennsylvania	409,138(1)(3)	less than 1	35,957	445,095
James E. Marley ..... Harrisburg, Pennsylvania	315,100(4)	less than 1	26,453	341,553
Robert Ripp ..... Harrisburg, Pennsylvania	170,643(3)	less than 1	16,314	186,957
Juergen W. Gromer ..... Langen, Germany	70,454(3)	less than 1	226	70,680
John E. Gurski ..... Harrisburg, Pennsylvania	116,197(3)	less than 1	12,826	129,023
All Executive Officers (16 persons) and Directors as a Group.....	2,806,121(1)(3)(4)	1.34	129,379	2,935,500

(1) A portion of the shares reported for 16 executive officers are held in the Company's Employee Savings and Thrift Plan. Through further contributions to this plan, all 16 executive officers may acquire an undeterminable number of additional shares within 60 days after August 20, 1998.

(2) Numbers in this column include phantom shares credited to executive officers under a deferred compensation plan and/or in association with dividend reinvestment of Performance Restricted Shares issued to designated officers. Pursuant to the deferred compensation plan, designated executive officers may defer receipt of up to 50% of their annual base salary and all officers of the Company may defer receipt of all or a portion of their annual cash bonus. Deferred compensation may be allocated to a phantom AMP Common Stock account, as described in footnote 1 to the Summary Compensation Table on page of the Consent Revocation Statement. Dividends earned on Performance Restricted Shares are credited to the executive officer's account and are deemed to be invested in phantom shares of Common Stock. These phantom shares vest only when, and to the extent the associated Performance Restricted Shares vest, as described in footnote 3 to the Summary Compensation Table on page of the Consent Revocation Statement.

(3) In addition, a total of 8,569 shares are held by immediate family members of four executive officers, either directly or in a custodial account over which the executive officer has voting and dispositive powers; the executive officers disclaim beneficial ownership. Additionally, a director has a 2% residual beneficial interest, but no voting or dispositive powers in a trust that holds 7,392 shares of Common Stock of the Company. Of the beneficial ownership reported in this number, 15,791 and 120,000 shares are held by a director in two limited partnerships over which he shares voting and dispositive powers, and another director holds 1,400 shares in a family trust of which he is co-trustee with his wife and shares voting and dispositive powers. Also, eight directors hold a total of 80,000 options, some of which are exercisable within 60 days after August 20, 1998 and are reported in this number, and sixteen executive officers hold a total of 1,607,745 options, some of which are exercisable within 60 days after August 20, 1998 and are reported in this number. Vesting of stock options will accelerate upon a change in control. The number does not include 27,602 Stock Bonus Units granted to the executives, none of which will convert within 60 days after August 20, 1998. Of the total number of options held by executive officers and described above, 419,500 are held by Mr. Hudson, of which 61,800 have been transferred to a family limited partnership.

(4) Shares owned by all executive officers and directors as a group do not include shares owned by Mr. Marley, who retired as an executive officer and director on August 20, 1998. Members of the immediate family of Mr. Marley own 211 shares of Common Stock of the Company; Mr. Marley disclaims beneficial ownership of this stock. Additionally, 499 shares of Common Stock of the Company are owned by a member of the immediate family of Mr. Marley in a custodial account over which Mr. Marley has voting and dispositive powers; Mr. Marley disclaims beneficial ownership of this stock.



ANNEX II  
INFORMATION CONCERNING THE DIRECTORS AND EXECUTIVE  
OFFICERS OF ALLIEDSIGNAL AND PMA WHO ARE NOT NOMINEES AND CERTAIN  
EMPLOYEES AND OTHER REPRESENTATIVES OF ALLIEDSIGNAL AND PMA

The following table sets forth the name and the present principal occupation or employment, and the name and principal business address of any corporation or other organization in which such employment is carried on, of (1) each employee of AlliedSignal and PMA who is not a Nominee and (2) each representative of AlliedSignal and PMA who may assist Morrow in soliciting consents from shareholders of the Company. Information regarding Nominees is set forth in 'THE PROPOSALS -- Nominee Election Proposals' in this Consent Statement. Unless otherwise indicated, each person listed below is employed by AlliedSignal and the principal business address of each person listed below is 101 Columbia Road, P.O. Box 4000, Morristown, NJ 07962-2497.

NAME AND PRINCIPAL BUSINESS ADDRESS	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT
Robert J. Buckley	Manager, Investor Relations
Terrance L. Carlson	Deputy General Counsel -- Corporate and Finance
G. Peter D'Aloia	Vice President, Planning and Development
Robert F. Friel	Vice President and Treasurer
John W. Gamble, Jr.	Assistant Treasurer
James V. Gelly 1944 East Sky Harbor Circle Phoenix, AZ 85034	Vice President, Finance, Aerospace Marketing, Sales & Service
Steven J. Golub Lazard Freres & Co. LLC 30 Rockefeller Plaza New York, NY 10020	Managing Director, Lazard Freres & Co. LLC
Mark E. Greenberg	Vice President, Communications
Peter Gross Goldman, Sachs & Co. 85 Broad Street New York, NY 10004	Vice President, Goldman, Sachs & Co.
Robert S. Harrison Goldman, Sachs & Co. 85 Broad Street New York, NY 10004	Managing Director, Goldman, Sachs & Co.
Yasushi Hatakeyama Lazard Freres & Co. LLC 30 Rockefeller Plaza New York, NY 10020	Director, Lazard Freres & Co. LLC
Peter Labbat Goldman, Sachs & Co. 85 Broad Street New York, NY 10004	Vice President, Goldman, Sachs & Co.
Mark T. McMaster Lazard Freres & Co. LLC 30 Rockefeller Plaza New York, NY 10020	Managing Director, Lazard Freres & Co. LLC
Wayne L. Moore Goldman, Sachs & Co. 85 Broad Street New York, NY 10004	Managing Director, Goldman, Sachs & Co.
Mary Elizabeth Pratt	Assistant General Counsel -- Corporate and Finance
John L. Stauch	Director, Investor Relations



ANNEX III  
SHARES HELD BY PMA, ALLIEDSIGNAL, THEIR  
DIRECTORS AND EXECUTIVE OFFICERS, CERTAIN EMPLOYEES AND  
OTHER REPRESENTATIVES OF PMA AND ALLIEDSIGNAL AND THE NOMINEES  
AND CERTAIN TRANSACTIONS BETWEEN ANY OF THEM AND THE COMPANY

On July 31, 1998, a subsidiary of AlliedSignal purchased 100 shares of Company Common Stock for \$29.6875 per share. Such shares were subsequently transferred to AlliedSignal. No part of the purchase price or market value of any of such shares was represented by funds borrowed or otherwise obtained for the purpose of acquiring or holding such shares. PMA and AlliedSignal disclaim beneficial ownership of any shares of Company Common Stock owned by any pension plan of AlliedSignal or any affiliate of AlliedSignal.

Both Lazard and Goldman Sachs engage in a full range of investment banking, securities trading, market-making and brokerage services for institutional and individual clients. In the normal course of business, each of Lazard and Goldman Sachs may trade securities of the Company for its own account and the accounts of its customers and, accordingly, may at any time hold a long or short position in such securities. Lazard has informed AlliedSignal that, as of August 6, 1998, Lazard held a net long position of approximately 20,861 shares of Company Common Stock, and Goldman Sachs has informed AlliedSignal that, as of August 7, 1998, Goldman Sachs held a net long position of 800,000 shares of Company Common Stock.

Except as disclosed in this Consent Statement, none of AlliedSignal, PMA, their directors or executive officers, the Nominees or the employees or other representatives of PMA or AlliedSignal named in Annex II, other than Mark E. Greenberg who is the beneficial owner of 100 shares of Company Common Stock, owns any securities of the Company or any parent or subsidiary of the Company, beneficially or of record; has purchased or sold any such securities within the past two years; or is or was within the past year a party to any contract, arrangement or understanding with any person with respect to such securities. Except as disclosed in this Consent Statement, to the best knowledge of PMA, AlliedSignal, their directors or executive officers, the Nominees and the employees and other representatives of PMA or AlliedSignal named in Annex II, none of their associates beneficially owns, directly or indirectly, any securities of the Company or any parent or subsidiary of the Company.

Except as disclosed in this Consent Statement, none of PMA, AlliedSignal, their directors or executive officers, the Nominees, the employees or other representatives of PMA or AlliedSignal named in Annex II, or, to their best knowledge, their associates has any arrangement or understanding with any person (1) with respect to any future employment by the Company or its affiliates or (2) with respect to future transactions to which the Company or any of its affiliates will or may be a party, nor any material interest, direct or indirect, in any transaction that has occurred since January 1, 1997, or any currently proposed transaction, or series of similar transactions, which the Company or any of its affiliates was or is to be a party and in which the amount involved exceeds \$60,000. Certain Nominees, directors and executive officers of AlliedSignal or PMA and/or their respective associates may also be directors or officers of other companies and organizations that have engaged in transactions with the Company or its subsidiaries in the ordinary course of business since January 1, 1997, but AlliedSignal and PMA believe that the interest of such persons in such transactions is not material.



ANNEX IV  
FORM OF PROPOSED AMENDMENTS TO THE COMPANY BY-LAWS

1. PROPOSED AMENDMENT TO SECTION 2.1 OF ARTICLE II

Section 2.1 of Article II of the By-laws of the Company is amended by adding the following two sentences after the last sentence thereof:

'Notwithstanding anything contained in any other provision of these By-laws to the contrary, all powers of the Corporation and rights and duties of the Board with respect to the Rights Agreement, dated as of October 25, 1989, as amended from time to time, between the Corporation and Chase Mellon Shareholder Services L.L.C. (successor to Manufacturers Hanover Trust Company), as Rights Agent, and any other plan, agreement, contract, security, warrant or other instrument of a type or kind authorized by or referred to in Section 2513 of the Pennsylvania Business Corporation Law (each a 'Rights Agreement'), including the right or duty to adopt, amend, redeem, terminate or change any and all Rights Agreements (and any securities or other instruments issued or issuable thereunder), shall not be vested in or exercised by the Board and shall instead be exclusively vested in and exercised by a group of three persons consisting of \_\_\_\_\_ and \_\_\_\_\_ (the 'Rights Agreement Managing Agents'). Each Rights Agreement Managing Agent will be indemnified by the Company to the full extent permitted by applicable law as provided in Article IV of these By-laws. The preceding two sentences may be repealed or amended only with the affirmative vote of holders of a majority of the shares of the Corporation entitled to vote thereon.'

2. PROPOSED AMENDMENT TO SECTION 2.2 OF ARTICLE II

Section 2.2 of Article II of the Company By-laws is amended, in its entirety, to read as follows:

'The number of directors of the Corporation shall be twenty-eight. This Section 2.2 may be repealed or amended only with the affirmative vote of holders of a majority of the shares of the Corporation entitled to vote thereon.'

3. PROPOSED AMENDMENT TO SECTION 2.4 OF ARTICLE II

Section 2.4 of Article II of the Company By-laws is amended by replacing the first sentence thereof with the following:

'Vacancies in the Board, however caused, may be filled by the affirmative vote of a majority of the remaining directors even though less than a quorum of the Board, or by the sole remaining director, provided, however, that any vacancies in the Board created by an amendment by shareholders of these By-laws shall be filled only by the affirmative vote of holders of a majority of the shares of the Corporation entitled to vote thereon. The preceding sentence may be repealed or amended only with the affirmative vote of holders of a majority of the shares of the Corporation entitled to vote thereon.'

4. PROPOSED AMENDMENT TO SECTION 1.7.2 OF ARTICLE 1

Section 1.7.2 of Article 1 is amended by adding the following sentence after the last sentence thereof:

'Notwithstanding anything contained in any other provision of these By-laws, any shareholder seeking to nominate candidates for election to the Board pursuant to shareholder action by written consent need not comply with any advance notification provisions contained in these By-laws, including, without limitation, Section 1.5.3 hereof. The preceding sentence may be repealed or amended only with the affirmative vote of holders of a majority of the shares of the Corporation entitled to vote thereon.'





The Rights Agreement shall be amended in the following manner:

All Sections. Modification of References to 'Board of Directors' and 'the Board'. The Agreement is hereby modified and amended by deleting all references in the Agreement to 'Board of Directors' and 'the Board', with the exception of the reference to the Board of Directors set forth in the first WHEREAS clause of the Agreement, and replacing the references with the following:

'Rights Agreement Managing Agents'

Section 1. Amendment of 'Certain Definitions' Section. Section 1(a), which sets forth the definition of 'Acquiring Person', is hereby modified and amended by adding in the sixth line, after the first reference to the phrase 'as a result of':

'a Qualifying Business Combination or'

Section 1(g), which contains the definition for 'Continuing Directors', is hereby amended by deleting such definition in its entirety. Section 1(h) shall now be referred to as Section 1(g).

Section 1(h) is hereby inserted, which shall read in its entirety as follows:

'1(h) 'Qualifying Business Combination' shall mean: (i) any consolidation of the Company with, or merger of the Company with and into, any other Person and the Company shall not be the continuing or surviving corporation of such consolidation or merger; or (ii) any Person shall consolidate with, or merge with and into, the Company, and the Company shall be the continuing or surviving corporation of such consolidation or merger and, in connection with such consolidation or merger, all or part of the outstanding shares of Common Stock shall be changed into or exchanged for stock or other securities of any other Person or cash or any other property or the shares of Common Stock held by the shareholders of the Company immediately prior to consummation of the consolidation or merger which remain outstanding shall constitute less than 50% of the total number of shares of Common Stock outstanding immediately following consummation of the consolidation or merger; and in case of either (i) or (ii), the consolidation or merger either requires no vote of shareholders of the Company under the Pennsylvania BCL and the Articles of Incorporation of the Company or is approved by the requisite vote of shareholders of the Company as may be required under either the Pennsylvania BCL and the Articles of Incorporation of the Company.'

Section 1(i) is hereby modified and amended by deleting in its entirety the definition of 'Qualifying Offer' and inserting in its place the following:

'(i) 'Qualifying Offer' shall mean an acquisition of shares of Common Stock pursuant to a tender offer or exchange offer in which a sufficient number of shares of Common Stock of the Company have been tendered and not withdrawn at any expiration date of the offer so that, if purchased by the offeror pursuant to the offer, the offeror and its Affiliates, taking into account shares of Common Stock of the Company then already beneficially owned by the offeror and its Affiliates, would be the beneficial owners of a majority of the outstanding shares of Common Stock of the Company.'

A new Section 1(j) is inserted, which shall read in its entirety as follows:

'(j) 'Rights Agreement Managing Agents' shall mean those persons designated as such pursuant to Section 2.1 of Article II of the By-Laws of the Company.'

Sections 1(j), (k), (m) and (n) shall now be referred to as Sections 1(l), (m), (n), and (o), respectively.

Section 3. Amendment of 'Issue of Rights Certificates' Section. Section 3(a) is hereby modified and amended by adding the word 'or' immediately before Section 3(a)(ii). Section 3(a) is further modified and amended by deleting, in its entirety, the following phrase:

'or (iii) the date on which the Rights Certificates (as hereinafter defined) are distributed in accordance with Section 13(e) hereof'



Section 3(a)(ii) is further modified and amended by deleting the phrase '(the earliest of (i), (ii) and (iii) being herein referred to as the Distribution Date)' and inserting in its place the following:

'(the earlier of (i) and (ii) being herein referred to as the Distribution Date)'

Section 5. Amendment of 'Countersignature and Registration' Section. Section 5(a) is hereby modified and amended by deleting that Section in its entirety and inserting in its place the following:

'(a) The Rights Certificates shall be executed on behalf of the Company by one of the Rights Agreement Managing Agents, either manually or by facsimile signature. The Rights Certificates shall be signed, either manually or by facsimile signature, by the Rights Agent and shall not be valid for any purpose unless so countersigned.'

Section 13. Amendment of Consolidation, Merger, Sale or Transfer of Assets, Cash Flow or Earning Power Section. Section 13(d) is hereby modified and amended by deleting that section in its entirety and inserting in its place the following:

'Notwithstanding anything in this Agreement to the contrary, Section 13 shall not be applicable to a Qualifying Business Combination and a Qualifying Business Combination shall not constitute a Section 13 event.'

Section 13(e) is hereby deleted in its entirety.

Section 20. Amendment of 'Duties of Rights Agent' Section. Section 20(g) is hereby modified and amended by deleting that Section in its entirety and inserting in its place the following:

'(g) The Rights Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties hereunder from the Rights Agreement Managing Agents, and to apply to the Rights Agreement Managing Agents for advice or instructions in connection with its duties, and it shall not be liable for any action taken or suffered to be taken by it in good faith in accordance with instructions of the Rights Agreement Managing Agents.'

Section 23. Amendment of 'Redemption and Termination' Section. Section 23(a) is hereby modified and amended in its entirety to read as follows:

'The Rights Agreement Managing Agents may, at their option, at any time prior to the earlier to occur of (i) the close of business on the tenth Business Day following the Stock Acquisition Date or (ii) the Final Expiration Date, redeem all but not less than all of the then outstanding Rights at a redemption price of \$.01 per Right, as such amount may be appropriately adjusted to reflect any stock split, stock dividend or similar transaction occurring after the date hereof (such redemption price being hereinafter referred to as the 'Redemption Price'). Notwithstanding anything contained in this Agreement to the contrary, the Rights shall not be exercisable after the first occurrence of a Section 11(a)(ii) Event until such time as the Company's right of redemption hereunder has expired. The Company may, at its option, pay the Redemption Price in cash, shares of Common Stock (based on the Current Market Price as defined in Section 11(d) hereof, of the Common Stock at the time of redemption) or any other form of consideration deemed appropriate by the Rights Agreement Managing Agents.'

Section 24. Amendment of 'Notice of Certain Events' Section. Section 24(a)(v) is hereby modified and amended by deleting the phrase 'the Company', which appears after the phrase 'then, in such case,' and inserting in its place the following:

'the Rights Agreement Managing Agents on behalf of the Company'

Section 26. Amendment of 'Supplements and Amendments' Section. Section 26 is hereby modified and amended in its entirety to read as follows:

'Section 26. Supplements and Amendments. At any time prior to the time when the Rights are not redeemable, the Company and the Rights Agent shall, if the Rights Agreement Managing Agents so direct, supplement or amend any provision of this Agreement without the approval of any holders of certificates representing shares of Common Stock and without the approval of any holders of Rights Certificates. The foregoing notwithstanding, no amendment of Sections 1(a), 1(h), 1(i), 13(d) and this Section 26 shall be permitted until expiration of this Agreement.'



Section 28. Amendment of 'Duties of Rights Agent' Section. Section 28 is hereby modified and amended by deleting that Section in its entirety and inserting in its place the following:

'Section 28. Determination and Action by the Rights Agreement Managing Agents. For all purposes of this Agreement, any calculation of the number of shares of Common Stock outstanding at any particular time, including for purposes of determining the particular percentage of such outstaying shares of Common Stock of which any Person is the Beneficial Owner, shall be made in accordance with Section 2553 of the Pennsylvania BCL. The Rights Agreement Managing Agents shall have the exclusive power and authority to administer this Agreement and exercise all rights and powers specifically granted to the Rights Agreement Managing Agents or to the Company, or as may be necessary or advisable in the administration of this Agreement, including, without limitation, the right and power to (i) interpret the provisions of this Agreement, and (i) make all determinations deemed necessary or advisable for the administration of this Agreement (including a determination to redeem or not redeem the Rights or to amend the Agreement). All such actions, calculations, interpretations and determinations (including, for purposes of clause (y) below, all omissions with respect to the foregoing) which are done or made by the Rights Agreement Managing Agents shall (x) be final, conclusive and binding on the Company, the Rights Agent, the holders of the Rights and all other parties, and (y) not subject the Rights Agreement Managing Agents to any liability to the holders of the Rights.'

Section 30. Amendment of 'Severability' Section. Section 30 is hereby modified and amended by deleting that last sentence of that Section in its entirety.



ANNEX VI  
INFORMATION CONCERNING THE RIGHTS MANAGING AGENTS

NAME AND PRINCIPAL BUSINESS ADDRESS  
-----

PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT  
-----

A-VI-1





APPENDIX 1

[BLUE CONSENT CARD]

[FORM OF CONSENT CARD]

PRELIMINARY COPY -- SUBJECT TO COMPLETION  
SOLICITATION ON BEHALF OF ALLIEDSIGNAL INC.  
AND PMA ACQUISITION CORPORATION

Unless otherwise indicated below, the undersigned, a shareholder of record of AMP Incorporated (the 'Company') as of the close of business on October 15, 1998 (the 'Record Date'), hereby consents, pursuant to Sections 1766 and 2524 of the Pennsylvania Business Corporation Law and Article IX of the Company's articles of incorporation with respect to all shares of common stock without par value of the Company (the 'Company Common Stock') held by the undersigned, to the taking of the following actions without a meeting of the shareholders of the Company:



INSTRUCTION: TO CONSENT, WITHHOLD CONSENT OR ABSTAIN FROM CONSENTING TO THE ELECTION OF ALL PERSONS NAMED IN NOMINEE ELECTION PROPOSAL #4 CHECK THE APPROPRIATE BOX BELOW. IF YOU WISH TO CONSENT TO THE ELECTION OF CERTAIN OF THE PERSONS NAMED IN NOMINEE ELECTION PROPOSAL #4, BUT NOT ALL OF THEM, CHECK THE "CONSENTS" BOX BELOW AND WRITE THE NAME OF EACH SUCH PERSON YOU DO NOT WISH ELECTED IN THE FOLLOWING SPACE:

SHAREHOLDER RIGHTS PROPOSAL

1. Amend Section 2.1 of Article II of the Company By-laws to vest all powers, rights and duties with respect to the Rights Agreement, or any similar agreement, in \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ (the "Rights Agreement Managing Agents") and so that Section 2.1 as amended may not be amended or repealed without the approval of the Company's shareholders.

CONSENT [ ] DOES NOT CONSENT [ ] ABSTAIN [ ]

NOMINEE ELECTION PROPOSALS

1. Amend Section 2.2 of Article II of the Company By-laws (the "Company By-laws"), in its entirety, to fix the number of directors of the Company at twenty-eight and to provide that Section 2.2 as amended may not be amended or repealed without the approval of the Company's shareholders.

CONSENT [ ] DOES NOT CONSENT [ ] ABSTAIN [ ]

2. Amend Section 2.4 of Article II of the Company By-laws to provide that vacancies on the Company's Board of Directors (the "Company Board") created as a result of a shareholder amendment to the Company By-laws may be filled only by a vote of the Company's shareholders and this amendment to Section 2.4 may be further amended or repealed only with the approval of the Company's shareholders.

CONSENT [ ] DOES NOT CONSENT [ ] ABSTAIN [ ]

3. Amend Section 1.7.2 of Article I of the Company By-laws to (x) clarify that a shareholder seeking to nominate candidates for election to the Company Board pursuant to shareholder action by written consent need not comply with the advance notification provisions of the Company By-laws applicable to the nomination of candidates in connection with meetings of the shareholders and (y) provide that this amendment to Section 1.7.2 may be further amended only with the approval of the Company's shareholders.

CONSENT [ ] DOES NOT CONSENT [ ] ABSTAIN [ ]

4. Elect Hans W. Becherer, Lawrence A. Bossidy, Ann M. Fudge, Paul X. Kelley, Peter M. Kreindler, Robert P. Luciano, Robert B. Palmer, Russell E. Palmer, Frederic M. Poses, Donald J. Redlinger, Ivan G. Seidenberg, Andrew C. Sigler, John R. Stafford, Thomas P. Stafford, Richard F. Wallman, Robert C. Winters and Henry T. Yang (the "Nominees") to serve as directors of the Company (or, if any such Nominee is unable to serve as a director of the Company due to death, disability or otherwise, any other person designated as a Nominee by the remaining Nominee or Nominees).

CONSENT [ ] DOES NOT CONSENT [ ] ABSTAIN [ ]

5. The repeal of each provision of the Company By-laws or amendments thereto adopted subsequent to July 22, 1998 and prior to the effectiveness of all of the foregoing actions.

CONSENT [ ] DOES NOT CONSENT [ ] ABSTAIN [ ]

IF NO BOX IS MARKED WITH RESPECT TO THESE PROPOSALS, THE UNDERSIGNED WILL BE DEEMED TO CONSENT TO SUCH PROPOSALS, EXCEPT THAT THE UNDERSIGNED WILL NOT BE DEEMED TO CONSENT TO THE ELECTION OF ANY CANDIDATE WHOSE NAME IS WRITTEN IN THE SPACE PROVIDED ABOVE.

The provisions of the Consent Statement dated September 14, 1998 of AlliedSignal Inc. and PMA Acquisition Corporation, which more fully set forth the amendments to the Company By-laws described in item 1 of Shareholder Rights Proposal above and items 1, 2 and 3 of Nominee Election Proposals above, including the precise wording of such amendments (see Annex IV), are incorporated herein by reference.

IN THE ABSENCE OF DISSENT OR ABSTENTION BEING INDICATED ABOVE, THE UNDERSIGNED HEREBY CONSENTS TO EACH ACTION LISTED ABOVE.

The Shareholder Rights Proposal is separate and distinct from the Nominee Election Proposals. Company shareholders may approve the Shareholder Rights Proposal without approving the Nominee Election Proposals, may approve the Nominee Election Proposals without approving the Shareholder Rights Proposal, or may approve all of the Proposals.

The effectiveness of each of the Nominee Election Proposals is subject to, and conditional upon, the adoption of each of the other Nominee Election Proposals by the holders of record, as of the close of business on the Record Date, of the majority of the shares of Company Common Stock then outstanding. However, if Nominee Election Proposal 5 is not so adopted, AlliedSignal reserves the right to waive, but only with respect to Nominee Election Proposal 5, this condition.

PLEASE SIGN EXACTLY AS NAME APPEARS ON STOCK CERTIFICATE OR ON LABEL AFFIXED HERETO. When shares are held by joint tenants, both should sign. In case of joint owners, each joint owner should sign. When signing as attorney, executor, administrator, trustee guardian, corporate

officer, etc., give full title as such.

Dated \_\_\_\_\_, 1998

Signature \_\_\_\_\_

Signature if held jointly \_\_\_\_\_

Title or Authority \_\_\_\_\_

IN ORDER FOR YOUR CONSENT TO BE VALID, IT MUST BE  
DATED. PLEASE MARK, SIGN, DATE AND MAIL YOUR  
CONSENT PROMPTLY IN THE POSTAGE-PAID ENVELOPE  
ENCLOSED.



September 14, 1998

[ALLIEDSIGNAL LETTERHEAD]

VIA FACSIMILE AND BY HAND

-----  
AMP Incorporated  
470 Friendship Road  
Harrisburg, PA 17111  
Attention: David F. Henschel, Corporate Secretary  
and Associate General Legal Counsel

Skadden, Arps, Slate, Meagher & Flom, LLP  
919 Third Avenue  
New York, NY 10022  
Attention: Peter Allan Atkins, Esq.

Gentlemen:

In accordance with the agreement between AlliedSignal Inc. ("AlliedSignal") and AMP Incorporated ("AMP"), dated September 4, 1998, AlliedSignal hereby gives notice that it is filing today with the Securities and Exchange Commission (the "SEC") an amendment to its preliminary consent solicitation statement ("Consent Solicitation Statement") with respect to its intended solicitation of written consents from AMP's shareholders for certain proposals. The amendment adds one proposal (the "additional proposal") to the proposals specified in my letter of August 11, 1998 (the "original proposals"). Both the original proposals and the additional proposal are described in the Consent Solicitation Statement, a copy of which is enclosed for your reference. AlliedSignal will not seek to have the Consent Solicitation Statement declared effective any sooner than September 21, 1998.

AlliedSignal's consent solicitation is designed to remove the obstacles confronting the \$44.50 per share cash offer by AlliedSignal for AMP stock. AlliedSignal, by letter of August 11, 1998, requested that AMP's Board of Directors fix a record date for determining shareholders entitled to consent to corporate action in writing without a meeting. On August 20, 1998, AMP's Board fixed October 15, 1998 as the record date for the solicitation. On the same date, however, AMP's Board also changed AMP's Rights Agreement. The changes included a nonredemption provision, purporting to make the rights issued pursuant to the Rights Agreement non-redeemable by any directors, even "disinterested" directors, if a majority of AMP's Board are persons other than present AMP directors or their designees.





The additional proposal is designed to make the Rights Agreement, as amended, inapplicable to any tender offer that results in the offeror becoming the beneficial owner of a majority of AMP shares as well as to any merger receiving the requisite vote of AMP shareholders. Because the additional proposal has the same objective as the original proposals, because it is related in purpose and effect to the original proposals, and because it arose only in response to changes initiated by AMP as a result of the original proposals, AlliedSignal will proceed on the basis that the record date of October 15, 1998 fixed by AMP's Board for the original solicitation applies to the additional proposal. That date is also more than adequate to ensure that all material information is available to AMP shareholders before they make any decisions on the proposals. In that regard, AlliedSignal today is making a public announcement of its proposals and, as noted above, is filing the Consent Solicitation Statement with the SEC. The October 15 record date thus will provide AMP's shareholders more than 30 days' notice of the proposals and will allow AMP to comply with all applicable SEC and New York Stock Exchange rules.

AlliedSignal requests that AMP promptly provide written confirmation to the undersigned that October 15, 1998 is the record date for determining those shareholders entitled to consent in writing without a meeting to the additional proposal.

In the event that Section 1.7.2 of the AMP Bylaws is interpreted to require a separate request to fix the record date for the additional proposal, AlliedSignal, as the record holder of 100 shares of AMP common stock, hereby requests, pursuant to Section 1.7.2 of the AMP Bylaws, that AMP's Board of Directors fix October 15, 1998 as the record date for determining shareholders entitled to consent in writing without a meeting to the corporate action specified in the additional proposal.

If you have any questions, please call the undersigned at (973) 455-5513, Arthur Fleischer, Jr., Esq. at (212) 859-8120, or Charles M. Nathan, Esq. at (212) 859-8334.

Very truly yours,  
Peter Kreindler, Esq.  
-----  
Peter Kreindler, Esq.  
Senior Vice President,  
General Counsel and Secretary