

Number of Company: SC285031

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

OF

EWM (IP) LIMITED (the "Company")

CIRCULATION DATE: 19 February 2012

TUESDAY



Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolutions are passed as written resolutions of the Company having effect as special resolutions (the "**Resolutions**"):

1. "That the terms of, the entry into and execution of:-
 - 1.1 a facility amendment and restatement agreement dated on or around the date of this certificate among, *inter alios*, The Edinburgh Woollen Mill (Group) Limited (the "**Parent**"), the Company, certain other subsidiaries of the Parent, Barclays Bank PLC in its capacity as Arranger, Lender and Bilateral Lender, Hedge Counterparty, Agent and Security Trustee (each as defined therein), and Santander UK PLC in its capacity as Arranger, Lender, Hedge Counterparty and Bilateral Lender in relation to a facility agreement dated 25 July 2011 and pursuant to which certain revolving credit facilities would be increased to £50,000,000 (the "**Amendment and Restatement Agreement**")
 - 1.2 the following Bilateral Documents:
 - (a) a facility agreement to be provided by Santander UK plc to the Company and the other Obligors in relation to uncommitted trade finance facilities of £4,500,000;
 - (b) a bond, guarantee and indemnities facility of £2,000,000 to be provided by Barclays Bank PLC to the Company;
 - (c) a variation letter to the on demand multi-option facility with a gross limit of £220,000,000 and a net limit of £6,000,000 provided by Barclays Bank PLC to the Company and certain of the other Obligors dated 25 July 2011;

- (d) a variation letter to the Sterling CAS overdraft being subject to the gross limit of £220,000,000 referred to above and to a net limit of £5,000,000 provided by Barclays Bank PLC to the Company and certain of the other Obligors dated 25 July 2011; and
- (e) a variation letter to the letter of credit facility of £7,000,000 provided by Barclays Bank PLC to the Company and certain of the other Obligors dated 25 July 2011.

1.3 A director's certificate of the Company addressed to the Bank

together the "**Banking Documents**" be and are hereby approved.

- 2. That there would be significant benefit to the Company in its entering into the Banking Documents to which it is a party because it would ensure the continued financial support for the Parent and the Group from the Lenders.
- 3. That guaranteeing the obligations of the Guarantors (other than the Company) under the terms of the Amendment and Restatement Agreement is in the commercial interests of the Company as it will ensure the Lenders' continuing support to the Parent, such Guarantors and the Group (as defined in the Amendment and Restatement Agreement).
- 4. That entry into the Banking Documents is in the best interests of the Company and for the commercial benefit of the Company and, having regard to, *inter alia*, the factors set out in section 172 of the 2006 Act, most likely to promote the success of the Company for the benefit of the members as a whole."

*Please read the notes at the end of this document before signifying your agreement to the Resolutions.

We, the undersigned, being the only member of the Company and the only person entitled to vote on the above resolution on 19 February 2012, hereby irrevocably agree to the Resolutions.



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EWM (Topco) Limited

19.2.2012

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Date

NOTES

1. If you agree with the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:
 - 1.1 **By Hand:** delivering the signed copy to *David Houston, Waverley Mills, Langholm, Dumfriesshire DG13 0EB*.
 - 1.2 **Post:** returning the signed copy by post to *David Houston, Waverley Mills, Langholm, Dumfriesshire DG13 0EB*.
 - 1.3 **E-mail:** by attaching a scanned copy of the signed document to an e-mail and sending it to david.houston@ewm.co.uk. Please enter "Written resolutions dated *circulation date*" in the e-mail subject box.

If you do not agree to the Resolution, you do not need to do anything: you will not be deemed to agree if you fail to reply.

2. Once you have indicated your agreement to the Resolution, you may not revoke your agreement.
3. Unless, by the date at end of period of 28 days beginning with the circulation date, sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before or during this date.