

**FESI-BY-LAWS APPROVED BY THE GENERAL
ASSEMBLY
Of November 8th, 2018**

1. ARTICLE 1: NAME, MEMBERSHIP, HEADQUARTER

1.1. The FEDERATION OF THE EUROPEAN SPORTING GOODS INDUSTRY (hereinafter called "FESI"), is an independent non-profit association at European level comprising National, Regional and Sectorial Sports Industry Federations in Europe as defined in Article 3.1.1 below (hereinafter "SIF"), as well as European-based companies, manufacturing and/or supplying, licensing or franchising branded Sporting Goods to the wholesale or retail trade in Europe and European-based companies who deal at Sporting Goods Retail level (hereinafter "the Industry Suppliers"), all collectively referred to as Regular Members as defined hereinafter, if qualified and approved by FESI as Regular Members in compliance with the terms and provisions of these By-Laws.

1.2 Additional membership categories without voting rights are conferred to companies and organizations as set forth herein below. The term "Sporting Goods" as used herein shall include branded products, equipment used for the playing of sport, the undertaking of physical and outdoor activities; in particular including but not limited to branded athletic footwear, sports apparel, equipment and accessories related thereto.

1.3. The denomination "Europe" in terms of granting voting rights to Regular Members at FESI's Board and/or General Assembly level shall be interpreted as covering EUROPE in its broad geographical interpretation.

1.4. The headquarters of FESI are located in Brussels/Belgium. Any move of FESI's headquarters out of Brussels shall require a two-thirds majority vote of all member of the FESI Board. The Board may establish and maintain branch offices at any place, whenever it is necessary to do so in order to facilitate the efficient conduct of the business of FESI.

2. ARTICLE 2: PURPOSES

The main purposes and activities of FESI are in particular:

2.1. To proactively and continuously inform its members on important developments, in particular relating to contemplated and/or already enacted European laws and regulations, on major administrative proceedings at European level by European authorities, political developments and other matters of general interest for its members, within the permissible limits and scope of applicable laws.

2.2. To promote and lobby for the development, improvement and/or enforcement of a legal and factual environment at European Union, which take in due account the legitimate interests of FESI members with the overall objective of improving the quality of sporting goods in Europe, and of legitimate business practices and methods in general and to increase the participation in and the image of sport in Europe.

2.3. To represent and voice the legitimate interests of its members vis-à-vis the European institutions, authorities and bodies, in particular but not limited to those of the European Union including the European Court of Justice and the European Commission, and vis-à-vis international federations at European level. This can be done either alone or through strategic alliances and other cooperative agreements with other recognized bodies, organizations and federations.

2.4. To be, in general, active and supportive in all areas which are of legitimate benefit for the members of FESI and to carry out any other activities which are legally permissible to promote the purposes of FESI. This may include:

2.5. Organizing seminars and conferences in Europe, having the objective of discussing legitimate issues which affect the interests of FESI members, alone or in cooperation with other recognized bodies, organizations and federations;

2.6. To assist its members in their commercial activities on third-country markets; e.g. export promotion and to the extent legally permissible and feasible for FESI in the course of their activities at the level of European Institutions.

2.7. For the avoidance of doubt, FESI shall not be involved with matters which would in any way influence or be perceived as influencing the price of sporting goods products or the market for sporting goods products and shall at all times pay attention to all regulations and laws which relate to fair competition.

3. ARTICLE 3: MEMBERSHIP CATEGORIES, APPLICATIONS FOR MEMBERSHIP

3.1. Regular membership shall be granted to the following two membership categories in line with the terms and provisions contained herein:

3.1.1. National, Regional and Sectorial Sports Industry Federations in Europe (“SIF”)

Membership for National and Regional Sports Industry Federations (“SIF”) may be obtained by national governing bodies of any country in the Geographical Europe, which are duly constituted and recognized under the relevant national law. Regional and sectorial sporting goods federations, i.e. federations representing members of at least two Member States of Europe or entities representing specific segments of the sporting goods industry may also obtain membership. Only one National Sports Industry Federations shall be allowed to be a Regular Member of FESI – with the exception of sectorial federations.

3.1.2. Industry Suppliers (“IS”)

European-based companies, manufacturing and/or supplying, licensing or franchising branded Sporting Goods to the wholesale or retail trade in Europe and European-based companies who deal at Sporting Goods Retail level may apply for this membership category. It is the governing principle that any IS regular member shall be a member of a SIF, the acceptance of an IS regular member candidate without such affiliation shall remain the exception to the rule and be at the sole discretion of FESI’s Board.

3.1.3. The two above categories shall be collectively referred to as “Regular Members”

3.2. Associated Membership may be granted to IS and/or Service Providers (SP) under the following terms and conditions:

3.2.1. Associated Membership may be granted at the reasonable discretion of FESI’s Board to IS with a secondary link to the sporting goods industry but with similar interests and to sporting goods companies which will directly subscribe to FESI in case no NSIF exists in the country where such IS is established, or in case the IS does not subscribe to NSIF, or in case the relevant NSIF does not belong to FESI. This membership may also be granted to other national, European and sectorial federations of companies in sporting goods or in allied fields at the reasonable discretion of FESI Board.

3.2.2. Associated Membership may be granted by FESI to recognized and reputed bodies, companies, institutions and the like, which organize and run sporting goods trade fairs and to other comparable bodies at the discretion of FESI’s Board.

3.2.3. Associated Membership may be granted by FESI to entities providing services to sporting goods companies (i.e. research centers, law and consultancy firms or any other relevant organisations) at the discretion of FESI’s Board.

3.2.5 The three above categories shall be collectively referred to as “Associated Members”

3.3 Project members

3.3.1 Membership status may be granted to companies, federations or relevant entities with an interest in specific *ad hoc* projects conducted by FESI. Membership status may be granted for a limited or unlimited period of time based on the nature of the project.

3.4. Honorary Life Membership may be granted by FESI at the discretion of its Board to individuals, in recognition of their outstanding contribution to the promotion of sports, and/or the fostering of the development of fellowship and understanding in the sporting goods industry and/or trade.

3.5. Membership status may be granted to corporate groups. In this particular case, all brands of the group, including the ones of subsidiaries, are to be considered as FESI members. However, solely the group itself shall have a voting right.

3.6. All applications for membership to FESI shall be in writing and shall be addressed to FESI Secretariat.

3.7. Applications for membership of a SIF shall be accompanied by a copy of the current Constitution and Rules governing such body and specific and adequate proof that the respective candidate meets the requirements of Article 3.1.1 above.

3.8. Any denial of membership shall require a two-third majority vote of FESI’s Board and shall be taken according to the procedure provided in Article 15.3 below.

3.9 Membership taskforce

3.9.1. Each membership application shall be assessed by a Membership Taskforce composed of five (5) Board members – including at least one (1) representative of the Executive Committee. The Membership Committee shall assess whether the applicant:

3.9.1.1. is entitled to become a member of FESI

3.9.1.1. may qualify as Regular or Associated member

3.9.3. The Membership Taskforce shall present its recommendation to the Board of FESI which shall decide whether to accept a new member or not.

3.9.4. The membership fee of associated members shall be decided by the Board on an *ad hoc* basis, upon recommendation from the Membership Taskforce.

3.10. Associated Members may be granted the status of Regular Members at the discretion of the Board in recognition of their outstanding contribution to the promotion of sport, and/or the fostering of the development of the sporting goods industry.

4. ARTICLE 4: VOTING RIGHTS OF MEMBERS

4.1. Regular Members shall have one vote each.

4.2. Associated Members shall have no voting rights, but shall have the right to attend FESI General Assembly

4.3 Associated Members have the right to participate and vote in FESI Steering Committees to which they participate.

4.4. Honorary Life Members shall have no voting rights and shall have no right to participate in Steering Committees.

4.7. Project Members shall have no voting rights and cannot attend FESI General Assembly (except for the open sessions).

4.8. Project Members shall have no right to participate and vote in FESI Steering Committees, unless stated otherwise by the agreement of the project they are involved in.

5. ARTICLE 5: RIGHTS AND DUTIES OF MEMBERS

5.1. All Members shall support the purposes of FESI and shall act in compliance with these By-Laws and any other lawful rules or regulations adopted by the Board of FESI.

5.2. All Members are required to support and respect all decisions taken by the Board of FESI, provided that such decisions are legal in their respective countries.

5.3. All Members are required to pay their membership fees within sixty (60) days from the date of issuance of the invoice. Furthermore, all Members are required to make any other payments to FESI within sixty (60) days from the date of issuance of the invoice, which their representatives may commit to pay during deliberations at any formal meeting of the Board or any Steering Committee.

5.4. Notwithstanding the rights and privileges conferred by these By-Laws, the use of the name, logo, and the initials of FESI (“the Logo”) in connection with any advertising, promotion or sale of a product or service is expressly forbidden, unless specifically authorized by the Board of FESI. Without prejudice to the foregoing, the use which the members of FESI may make, individually, of the name, logo or initials of FESI shall be subject to the prior written authorization of the Board of FESI. Project Members are permitted to use the Logo to indicate that they are belonging to this

specific group of FESI members during and limited to the time they enjoy such membership status same as Regular and Associated members of FESI without the need to ask for specific prior permission.

5.5. The Board may at its discretion develop rules and guidelines for FESI members how and under which conditions the Logo can be used.

5.6. Member' representatives holding a political mandate at FESI level (namely, the President, the Vice-Presidents, the Executive Committee Members, the Board members, the Chairpersons and the Rapporteurs) are entitled to use the Logo when representing FESI in front of an external audience. The Board can withdraw this right if the representative has been using the Logo in a manner that could cause prejudice to FESI.

5.7. The use by FESI of its members' trademarks, logos or names beyond the use for the operational purposes and activities of FESI as defined herein shall be subject to the prior written approval of the relevant member.

6. ARTICLE 6: ORGANISATION, FISCAL YEAR

6.1. The organs of FESI are:

6.1.1 The General Assembly

6.1.2 The Board

6.1.3 The President

6.1.4 The Executive Committee

6.1.5 The Secretary General

6.1.6 The Deputy Secretary General

6.2. The fiscal year of FESI shall be January 1 to December 31.

7. ARTICLE 7: GENERAL ASSEMBLY, MEETINGS AND VOTING PROCEDURES

7.1. The General Assembly is the decision maker of FESI, unless otherwise set forth herein, it is composed of all Regular Members of FESI.

7.2. The General Assembly shall:

- 7.2.1** Decide on the budget, the membership fees and other financial contributions for the following years as recommended by the Board;
- 7.2.2** Approve the annual accounts of the past year and discharge the Board for its activities during the foregoing period;
- 7.2.3** Give instructions to the Board on matters proposed by the members;
- 7.2.4** Elect the Board of FESI as set forth herein in Articles 8 and 9: confirm the auditors and/or the accountants appointed by the Board for bookkeeping purposes;
- 7.2.5** Appoint the members of the Membership Taskforce as set forth herein in Article 3.9;
- 7.2.6** Resolve and decide on all other business and matters the General Assembly may deem appropriate, lawful and reasonable to be dealt with by FESI;

7.3. FESI will meet at least once per year in an Ordinary General Assembly (the "Annual Meeting"), which in general shall be held just subsequent to a preceding Board meeting.

7.4. Furthermore, on written request of the Board or on written request of at least one third (1/3) of the Regular members of FESI, an Extraordinary General Assembly meeting (the "Extraordinary Meeting") must be called within three (3) months from the receipt of the request by the President of FESI, stating place and time of said Extraordinary Meeting.

7.5. Regular members shall have the right to make written (e-mail transmission included) proposals to the General Assembly, provided they reach the Secretariat of FESI no later than thirty (30) days before the date of the respective General Assembly meeting, unless the proposal is duly recognized as an emergency proposal and carried by a two-thirds majority vote as set forth in Article 7.11 below.

7.6. The agenda must be mailed (e-mail transmission included) to the Members by the Secretary General on behalf of the President at least twenty-one (21) days prior to the General Assembly and may be amended for the respective meeting by proposals lawfully submitted by members in compliance with the provisions of this Section 7.

7.7. Voting rights at the General Assembly shall be exercised by the nominated representative of each Regular member ("the Representative"). Each Regular Member shall have one (1) vote.

7.8. One proxy is permitted per Representative and its validity is subject to the submitting of an official letter of substitution to the Board. The Member issuing it must be current in its membership dues.

7.9. One-third of the total number of Regular Members of the FESI present in person or by valid proxy shall constitute a quorum for the transaction of business at any General Assembly Meeting. Provided at least seven (7) Regular Members are present by their respective Representatives or proxy, the meeting shall be quorate.

7.10. General Assembly meetings are open for FESI Regular Members (with voting rights) and Associated members (without voting rights) only, unless the President or Chairman of the day in charge of such meeting declares the respective meeting open for the public and/or for non-members of FESI.

7.11. The General Assembly shall decide resolutions by a simple majority of the votes of the Representatives present at a meeting at which there is a quorum, except that a two-thirds (2/3) majority vote shall be required for the following:

7.11.1. Amendments and changes to these By-Laws;

7.11.2. The expulsion of a member as set forth in Article 15 below;

7.11.3. The decision to consider emergency proposals;

7.11.4. The dissolution of FESI in accordance with Article 16 below;

7.11.5. Any act for which a two-thirds (2/3) majority vote is required by applicable law or by other provisions of these By-Laws as stipulated herein.

7.12. Subject to Section 7.11 above, decisions may be taken by written ballots or written consent (which includes e-mail transmissions) between meetings of the General Assembly if more than fifty per cent (50%) of the total number of voting Representatives agree with this procedure.

8. ARTICLE 8: COMPOSITION OF THE BOARD

8.1. FESI is administered by a board of directors consisting of sixteen (16) members in total (including the past and the actual President of FESI), respectively of fifteen (15) members in total if the past President of FESI will not be a board member in accordance with the provisions set forth in Article 12.3.2. below.

8.2. The Directors represent the Regular Members of FESI, either the SIF members or the IS members falling under the categories of Article 3.1.1 and Article 3.1.2 respectively. The foregoing may not apply for the past President in accordance with the terms and provisions set forth in Article 12.3 below.

8.3. The total number of Industry Supplier representatives must not exceed fifty per cent (50%) of the total number of SIF representatives (save the past President of FESI).

9. ARTICLE 9: ELECTION OF THE BOARD MEMBERS

9.1. The members of the Board (save the past President of FESI as described in Article 12.2 below) are elected by the General Assembly of FESI for renewable terms of three (3) years ("the Term"). The SIF Regular Members of the General Assembly shall collectively elect ten (10) members of the Board from a list of candidates, while the IS Members of the General Assembly shall also collectively elect five (5) members of the Board from a separate list of candidates. The elections shall be held at the Annual Meeting, at which the current Term expires, or in emergency situations at an extraordinary meeting called for this specific purpose. In agreeing to stand for election all candidates automatically signify their commitment and ability to serve the full Term.

9.2. The candidates' lists must be delivered to the Secretary General at the latest two days prior to the date of the Board meeting immediately preceding the respective election and shall then be presented by the acting President of FESI or the person being appointed by the acting President as Chairman at the respective General Assembly meeting for handling the election procedure (hereinafter "the Chairman") to the members present at such meeting.

9.3. All candidates must represent FESI Regular Members in good standing whose status must be maintained throughout the Term and who, in addition, continue to belong to the membership categories they represent.

9.4. Each Regular Member of the General Assembly shall elect their respective members of the Board (as described in 9.1 above) by casting a simple majority vote of the Representatives present. Unless otherwise requested by the majority of such members prior thereto, the Board can be elected collectively by approving the list of Section 9.2 and without casting secret ballots.

9.5 If a Board Member is employed by an IS, such company must be a Member of FESI, even if the Board Member has been elected by the SIF Members of the General Assembly.

10. ARTICLE 10: ESTABLISHMENT OF DIRECTORS OF THE BOARD, VACANCIES, REMOVAL, COMPOSITION OF EXECUTIVE COMMITTEE

10.1. The newly elected Board ("the New Board") shall immediately after its election withdraw from the General Assembly to nominate a slate of Officers ("the Slate").

10.2. The New Board shall first elect a President drawn from the Slate.

10.3. The President shall then nominate a minimum of four (4) Vice-Presidents and the Treasurer of FESI, who shall constitute the Executive Committee. Two of these Vice-Presidents shall be drawn from the Board members representing the SIF and the two others shall be drawn from the Board members representing the IS. If the Board does not vote in favor of the President's proposals, it may

accept other candidates (if any) and shall decide by simple majority vote after a secret ballot. If there are no other candidates, the Board shall accept the President's nominees.

10.4. The newly elected Board shall commence with its activities immediately after finalization of the election procedure.

10.5. In the event that one or several Board seats become vacant (e.g. in case of death, illness, loss of good standing, etc.), a midterm election shall be held at the next General Assembly meeting at which time a replacement shall be elected according to the provisions of this Section 10. A change of the membership category during the Term shall not be deemed as a vacancy of a Board seat, unless the respective Board Member will no longer represent any of the membership categories eligible for the Board.

10.6. A Board Member may be removed for just and substantial cause by the other Board members, provided that the respective Board Member is allowed to speak in his defense if it so wishes and is given the opportunity to refute any charges made.

11. ARTICLE 11: BOARD MEETINGS, AUTHORITIES AND DUTIES

11.1. The President shall convene a regular Board meeting at least twice a year. Reasonable advance notice shall be sent to all Board members.

11.2. An extraordinary meeting of the Board, if required, shall be convened by the President upon written request of one-third of all Board members and shall be called within two (2) months as of the day such request was received by the President and/or the Secretariat of the FESI.

11.3. One-half of the total number of Board Members (which must be inclusive of the President, or in his absence at least one Vice-President) in person present at a Board meeting shall constitute a quorum for the transaction of business at any Board Meeting. Proxies and substitutions are not permitted at Board meetings.

11.4. Board decisions shall be made by a simple majority of votes of the Board Members present except that decisions on membership and those set forth in Articles 1.2 above and Articles 14.1 and 15.3 below shall require a two-thirds (2/3) majority vote of all Board Members. Decisions may also be taken by casting written ballots (which includes e-mail transmissions) unless objected by simple majority vote of all Board Members in a specific matter. In the event of a deadlock situation, the President of FESI shall have the casting vote.

11.5. The Board shall control and supervise the management of the FESI. In addition to the functions mentioned herein, the Board shall:

11.5.1. Prepare proposals to change or amend these By-Laws for the General Assembly resolutions in compliance with Article 7.10 a) above;

11.5.2. Prepare FESI's annual working program and supervise the Steering Committees;

11.5.3. Be notified on position papers and decisions taken by Steering Committees;

11.5.4. Control and supervise the use of membership fees and other revenues generated by the FESI in the best interest of the FESI's members;

11.5.5. Administer and supervise FESI programmes;

11.5.6. Approve the annual budget for the respective next Business year of FESI at Board level and present it to the General Assembly for its approval;

11.5.7. Propose and appoint the Legal Counsel and nominate the accountants and/or auditors for FESI for subsequent confirmation by the General Assembly;

11.5.8. Appoint and supervise the Secretary General and the Deputy Secretary General of FESI;

11.5.9. Establish working groups and committees responsible for dealing with specific matters, examining problems of interest to members and preparing proposals for the solutions within the framework of the General Assembly and respective Executive Committee meetings;

11.5.10. Mediate and make an attempt to settle disputes between members upon their joint request to act accordingly;

11.5.11. Be obliged to prepare and keep proper minutes of the Board and Executive Committee meetings of FESI;

11.5.12. Deal with any other business and matters of FESI, which do not fall into the exclusive competence of the General Assembly.

11.6. The Board is empowered to delegate in writing parts of its above responsibilities to the Secretary General, the Deputy Secretary General and/or to the Executive Committee of FESI to the extent permitted under the applicable laws. This may also include financial responsibilities.

11.7. Unless otherwise set forth herein, Non-Board members of FESI and other persons including the Chairs of the Steering Committees of FESI are only permitted to attend a respective Board and/or Executive Committee meeting if invited by the Board, respectively the Executive Committee Members. Representatives of FESI Regular Members which do not hold a Board position may not attend Board Meetings, unless otherwise decided by the Board before or at the beginning of the respective meeting. The Board shall at its discretion also be entitled to temporarily exclude Non-Board members from attending a certain meeting in whole or in part.

12. ARTICLE 12: PRESIDENT

12.1. The President shall represent the FESI and carry out decisions of the Board. He shall convene General Assembly meetings as well as all meetings of the Board and of the Executive Committee and shall preside all such meetings, unless he appoints a Chairman of the day to preside for such specific meeting in whole or in part. He shall also supervise the observance of the By-Laws as well as the execution of decisions. In the event the President is (not only for a short term period) hindered or unable to perform his duties, a Vice President appointed by the Board with simple majority vote will assume the Presidency and shall then act for and on behalf of the President during that time period, until – if required under the concrete circumstances – a new president of FESI will have been elected.

12.2. The President is empowered by the By-Laws to delegate in writing parts of his responsibilities to the Secretary General. This may also include financial responsibilities. Such delegation shall not relieve the President's responsibilities.

12.3. The President shall be elected for a three (3) year term. The same person may not be elected for more than two (2) consecutive terms.

12.3.1. For the sake of continuity of FESI's work, after elapse of a term, the President shall automatically become a board member for one (1) subsequent term (the "Subsequent Term"). During the Subsequent Term the President shall have the same rights and duties as conferred on its other fellow board members including the right to be re-elected as President by the Board for the Subsequent Term in accordance with Articles 10.2 and 12.3 above. If re-elected, the Subsequent Term of the President shall then be deemed a new term followed by another Subsequent Term.

12.3.2. The foregoing shall not apply if the President informs FESI in writing to resign as board member with effect to the elapse of the respective current term by observing a notice period of at least six (6) months prior to the end of the said term, or if the Board of FESI decides by two third (2/3) majority vote at least six (6) months prior to the elapse of the respective current term that the President shall not be a board member for the Subsequent Term.

13. ARTICLE 13: EXECUTIVE COMMITTEE, STEERING COMMITTEES

13.1. Executive Committee:

FESI shall have an Executive Committee. Members of the Executive Committee shall be for the respective Term of the Board at minimum the President, the Vice Presidents and the Treasurer of

FESI as set forth in Article 10.3 above. Any other candidates for the Executive Committee shall be appointed for the respective Term by the Board by simple majority vote. The Secretary General, the Deputy Secretary General and the Legal Counsel shall be entitled to attend the meetings in an advisory capacity, unless expressly requested to the contrary by a simple majority of the Executive Committee.

The Executive Committee shall supervise the administrative matters including the financial status and situation of FESI, shall develop strategies and proposals for the Board and the General Assembly for initiatives, projects, actions and measures already pending or contemplated by FESI or recommended to be taken by its members.

Specifically, unless expressly voted to the contrary by a two-third majority of the Board, the Executive Committee shall be empowered to discharge the following responsibilities on behalf of the Board:

13.1.1. Preparation of FESI annual working program;

13.1.2. Monitoring notifications of position papers and decisions taken by Steering Committees;

13.1.3. Control and supervision the use of membership fees and other revenues generated by the FESI in the best interest of the FESI's members;

13.1.4. Administration and supervision of FESI programmes;

13.1.5. Supervision of the Secretary General and the Deputy Secretary General of FESI;

13.1.6. Establishment of working groups and committees responsible for dealing with specific matters, examining problems of interest to members and preparing proposals for the solutions within the framework of the General Assembly and respective Executive Committee meetings;

13.1.7. Other matters which fall within the competences of the Board may also be delegated to the Executive Committee if approved by a two-thirds (2/3) majority vote of all Board Members for the respective Term. The Executive Committee shall meet at least four (4) times per year. It will also engage in telephonic or Web conferences in regular intervals as required under the concrete circumstances between physical meetings.

13.2. Steering Committees:

13.2.1. Both Regular and Associated Members of FESI are permitted to be present at all Steering Committee meetings.

13.2.2. SIF are entitled to nominate one expert of their members per Steering Committee. Experts can only be nominated for one non-renewable two (2) year term. Once the term is

finished, the member company can no longer attend Steering Committee meetings unless it becomes a Regular or an Associated Member of FESI.

13.2.3. Each Steering Committee of FESI shall propose a Chair and a number of Rapporteurs equivalent to the number of taskforces to the President of FESI, who shall follow such recommendation unless substantial reasons call for a different decision. In this event the President shall refer the respective proposal to the Board for its decision. The term for a Steering Committee's Chair and Rapporteurs shall be three (3) years, but may be extended for subsequent renewable three-year terms at the discretion of the respective Steering Committee members and the President of FESI in accordance with the foregoing provisions, if all members of the Steering Committee agree.

13.2.4. The Board shall establish a set of internal procedural rules for all Steering Committees. Decisions and position papers adopted by Steering Committees shall be notified to the Board by the Chair of the respective Steering Committee or the Secretary General of FESI. All Chairs of the Steering Committees shall report to the Board.

13.3. Meetings of FESI Steering Committees in General:

Committee members and Committee Chairpersons may be represented by proxies at Committee meetings. These proxies must be presented in writing to the Steering Committee for approval at the meeting; but, in case of a Chairperson's proxy, not later than seven (7) days prior to the date of such meeting except in any event of emergency or Force Majeure.

14. ARTICLE 14: SECRETARY GENERAL, DEPUTY SECRETARY GENERAL, LEGAL COUNSEL

14.1. The Secretary General and the Deputy Secretary General shall be nominated by the President subject to approval by the Board.

14.2. The Secretary General and the Deputy Secretary General shall be responsible for the execution of the day-to-day affairs of the FESI and manage the administration including the Secretariat of FESI under the supervision and direction of the Executive Committee. He shall carry out the decisions of the Board.

14.3. The rights and the duties of the Secretary General and the Deputy Secretary General shall be determined by written contract approved by the President of FESI. The Secretary General shall attend the meetings of the Board, General Assembly and Executive Committee meetings in an advisory capacity.

14.4. The Secretary General and the Deputy Secretary General of FESI shall be obliged to keep complete and correct records of account and shall keep minutes of the proceedings of the meetings of FESI and its Committees.

14.5. The Secretary General and the Deputy Secretary General of FESI may coordinate actions agreed by the Board or any Steering Committee and collect any moneys from the respective Members committed to be paid by them in any formal Board or Steering Committee meeting.

14.6. The Legal Counsel of FESI as appointed by the Board of FESI shall be entitled to attend the Board meetings. The Board may also call the accountants and/or auditors to attend its meetings. Such persons are required to treat all matters pertaining to such Board meetings as strictly confidential, unless and until disclosed by the Board itself to the Members of FESI and act during such Board Meetings in an advisory capacity only.

15. ARTICLE 15: RESIGNATION AND EXPULSION OF MEMBERS

15.1. Members of FESI may voluntarily resign by giving due notice of at least six (6) months before the end of FESI's business year with effect to the end of such year. If notice of resignation is given after July 1st, termination of membership will only be effective as of the end of the following year. The resigning member must fulfil all its obligations until termination of its membership.

15.2. The Board, acting on behalf of the General Assembly, may terminate a member's membership for cause. In less severe cases, it may suspend membership for a certain reasonable time period. Without limitation, the following causes shall be deemed terminable causes:

15.2.1. Failure to satisfy the membership criteria for any of the categories of Regular, Industry Supplier or Associated Membership as defined in Article 3 above on an ongoing basis.

15.2.2. Failure to pay any annual membership fee or other dues to the FESI for at least six (6) months as of the date of written notification and first reminder provided to the said member to settle the open accounts;

15.2.3. Continued violations of these By-Laws or actions that in the reasonable view of the Board bring discredit to FESI and/or the Sporting Goods Industry and trade in general.

15.3. The Board of FESI shall, wherever feasible and advisable under the circumstances, notify a member in writing in advance that its suspension or termination is under consideration by observing a two (2) week minimum notice period prior to sending the suspension or termination notice in order to accord the respective member an opportunity to address the issues for which its membership may be suspended or terminated. A two-thirds (2/3) majority vote of the Board shall be required for any suspension or termination. A suspended or terminated member also may appeal such decision by the Board by notifying the Secretariat not later than thirty (30) days prior to the date of the respective

next General Assembly. This may overrule the Board's decision where such action is approved by a two-thirds (2/3) majority vote of all votes present at the respective General Assembly meeting.

15.4. The same procedure as set forth in Article 15.3 above shall apply in the event of a denial of membership by FESI's Board.

16. ARTICLE 16: DISSOLUTION OF FESI

16.1. FESI may be dissolved by decision of the General Assembly, to be adopted by two-thirds of the votes of those present. The quorum shall be fifty per cent (50%) of all Regular Members.

16.2. FESI may be dissolved by the Board, if during two (2) successive years not one General Assembly has taken place.

16.3. After dissolution of FESI and after payment of its financial obligations, any remaining assets shall be divided among the members in relation to their last year's membership fee.

17. ARTICLE 17: MISCELLANEOUS

17.1. Property of FESI may be assigned, conveyed or encumbered by the Board or its authorized agents or attorneys, and such authorized persons shall have power to execute and deliver any and all instruments of assignment, conveyance and encumbrance; however, the sale, exchange, lease or other disposition of all or substantially all of the property and assets of the FESI shall be authorized only if approved by the General Assembly with the majority vote and the quorum set forth in Section 16.1 above.

17.2. No loans shall be made by FESI to any of its Board members. Any Board member or the Secretary General who assents to or participates in the making of any such loan shall be liable to the FESI until it is repaid irrespective of any other consequences such act may have.

17.3. If any person who is a member of the Board or the Secretary General becomes aware that FESI is about to enter into any business transaction directly or indirectly with such person, any member of that person's family, or any entity in which that person has any legal, equitable or fiduciary interest or position, including without limitation as a member of the Board, management, partner, beneficiary or trustee, such person shall (a) immediately inform those charged with approving the transaction on behalf of FESI of such person's interest or position, (b) aid the persons charged with making the decision by disclosing any material facts within such person's knowledge that bear on the advisability of such transaction from the standpoint of FESI, and (c) not be entitled to vote on the decision to enter into such transaction.

17.4. FESI's official language is English. In any case of a difference in the interpretation of documents or other communications in other languages, the English language shall prevail.

17.5. FESI may accept any designated contribution, grant, bequest or devise consistent with its general tax-exempt purposes, as set forth in its articles of incorporation. As so limited, donor-designated contributions will be accepted for special funds, purposes or uses, and such designations generally will be honoured. However, FESI shall reserve all right, title and interest in and to and control of such contributions, as well as full discretion as to the ultimate expenditure or distribution thereof in connection with any such special fund, purpose or use. Further, FESI shall acquire and retain sufficient control over all donated funds (including designated contributions) to assure that such funds will be used to carry out FESI's tax-exempt purposes.

17.6. Within its membership, FESI shall not allow any discrimination for reasons of religion, gender, race, politics or any other arbitrary discriminatory reason.

17.7. Any power to alter, amend or repeal these By-Laws shall be vested in the General Assembly of FESI.

17.8. The invalidity of any provision of these By-Laws shall not affect the other provisions hereof, and in such event these By-Laws shall be construed in all respects as if such invalid provision were omitted.

17.9. These By-Laws are subject to the law of Belgium. In case of any dispute relating to these By-Laws, the competent Belgian courts in Brussels shall have exclusive jurisdiction.

18. ARTICLE 18: ACCEPTANCE OF THESE BY-LAWS

These By-Laws were approved by the General Assembly of the FESI on 8 November 2018 and are valid from that day onward.