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Strategic Banking  
Corporation of Ireland

**MINUTES OF A MEETING OF THE BOARD OF DIRECTORS  
OF  
STRATEGIC BANKING CORPORATION OF IRELAND  
(THE "COMPANY" OR "SBCI")  
DULY CONVENED, CONSTITUTED AND HELD AT  
TREASURY BUILDING, LOWER GRAND CANAL STREET, DUBLIN 2  
ON 5 APRIL 2016 AT 14:00**

**Present:**

Conor O'Kelly *Chairperson*  
Nick Ashmore  
Barbara Cotter  
Tom McAleese  
Ann Nolan  
AJ Noonan  
Richard Pelly  
Eilis Quinlan

**Apologies:**

Rosheen McGuckian

**In Attendance:**

Adrian O'Donovan *Secretary*  
Paul Christie *Assistant Manager, Lending*  
Ray Mangan *Senior Risk and Finance Manager*  
Jillian Mahon *Head of Funding and Strategic Initiatives*  
Damien Mulholland *Assistant Agency Secretary, NTMA*  
Macken McNicholas *Analyst (Item 8 only)*  
Philip O'Sullivan *Senior Legal Advisor, NTMA*  
Suzanne Sweeney *Head of Lending*

**1. NOTICE AND QUORUM**

The Chairperson noted that notice of the meeting and of the nature of the business to be conducted had been circulated to all members entitled to attend the meeting and that a quorum was present. The meeting then proceeded to business.

**2. DECLARATIONS OF INTEREST**

For the purposes of Section 231 of the Companies Act 2014, Section 17 of the Ethics in Public Office Act 1995 and the Articles of Association of the Company, the directors present each declared that they had no interest in the business to be transacted at the meeting.

### **3. ANNUAL REVIEW BOI**

The Head of Lending presented the annual review of the Bank of Ireland (BoI) credit facility.

The Board noted the review.

### **4. BIBBY IRELAND CREDIT PROPOSAL**

The Head of Lending noted that the Board had approved a €45 million, 6 year loan to Bibby Financial Services Ireland limited (“Bibby”) at its 8 September 2015 meeting, later approving a change to the terms of the transaction at its meeting of 28 October 2015. Following the initial approval, the Managing Director had left the organisation. The SBCI team had put on hold commencing the independent due diligence on Bibby and finalising the Facility Agreements pending appointment of the new Managing Director and review of refreshed financial projections. This process was now complete and the SBCI team was recommending finalisation of the Bibby transaction to the Board.

The loan facility structure had also been reviewed. Overall the facility terms, conditions and covenants remain appropriate. However amendments to the Security Structure and Financial Covenants were proposed as set out in the meeting paper.

The Board reviewed the amended credit proposal and the terms of the transaction, noting it was satisfied with both of them and accordingly

#### **IT WAS RESOLVED:**

- i. That the SBCI provide Bibby Financial Services Ireland Limited or such of its affiliates as may be agreed (“Bibby”) a €45 million loan agreement with a duration of six years (the “Facility”), subject to confirmatory due diligence and legal review, for the purpose of funding invoice discounting facilities to SMEs in Ireland;
- ii. To delegate to the Chief Executive Officer of the SBCI the power to negotiate the Facility conforming in substance to the terms of the term sheet and subsequent proposals and changes thereto approved by the board, with such minor variations or changes as he in his absolute discretion deems necessary or appropriate; and
- iii. To authorise the use of the SBCI’s seal where required for the proper execution of any documentation connected to the Facility.

### **5. FEXCO CREDIT PROPOSAL**

The Head of Lending presented a credit proposal to provide a €70million, 6 year loan facility to FEXCO Asset Finance (“FAF”) for the purpose of making asset backed finance available to eligible SMEs. It was noted that the facility with FAF would be the biggest non-banking arrangement for the SBCI to date and a significant opportunity to release credit into an underserved market.

**This has been redacted.**

### **6. ANY OTHER BUSINESS**

The Company Secretary noted that Damien Mulholland, a qualified company secretary with 8 years industry experience, had been recruited to the secretariat to assist in managing its duties with

regard to both the SBCI and NTMA. It was proposed that Damien Mulholland be appointed as SBCI Company Secretary.

**IT WAS RESOLVED** that Damien Mulholland be appointed as Company Secretary with effect from 6 April 2016.

There being no further business the Chairperson brought the meeting to a close.

Conor O'Kelly  
Chairperson

19 May 2016