

THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES
COMPANY NUMBER 575069
ARTICLES OF ASSOCIATION
OF
VIRIDOR WASTE MANAGEMENT LIMITED*
(Incorporating all changes to 28 March 2011)
PRELIMINARY



- 1 The Company is a Private Company and, subject as hereinafter provided and except where the same are varied or excluded by or are inconsistent with these Articles, the regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (such regulations hereinafter called "Table A") shall apply to the Company and shall be deemed to form part of these Articles. References herein to Regulations are to regulations in Table A unless otherwise stated.

DEFINITIONS

- 2 In these Articles unless the context otherwise requires

"the Act"	means the Companies Act 1985 but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force,
"these Articles"	means these Articles of Association in their present form or as from time to time altered,
"A Shares"	means the A ordinary shares of £1.00 each in the capital of the Company,
"B Shares"	means the B ordinary shares of £0.001 each in the capital of the Company,
"Director"	means a Director of the Company,
"the Board"	means the Board of Directors of the Company or a duly authorised committee thereof or the Directors present at a meeting of the Board of Directors of the Company or a duly authorised committee thereof, in each case at which a quorum is present,
"Member"	means a shareholder of the Company,

* On 1 October 1999 the name of the Company was changed by Special Resolution from Haul Waste Limited to Viridor Waste Management Limited

"paid up" means paid up or credited as paid up,

"Relevant Company" means

- (i) the Company
- (ii) any subsidiary or subsidiary undertaking of the Company
- (iii) any holding company of the Company or any subsidiary or subsidiary undertaking of any such holding company,
- (iv) any body corporate promoted by the Company, or
- (v) any body corporate in which the Company is otherwise interested

"Shares" means the A Shares and the B Shares and "share" means a share in the capital of the Company of whatever class, and

"subsidiary" means a company which is a subsidiary of another within the meaning of Section 736 of the Act except that a company shall not be regarded as a subsidiary of another by reason only of the fact that that other is a member of it and controls the composition of its board of directors and the definition of "holding company" in the said Section shall be construed accordingly

SHARE CAPITAL

- 3 The share capital of the Company at the date of adoption of these Articles is £6,418,000* divided into 6,418,000 Ordinary shares of £1 each ***

SHARES

- 4 (a) The A Shares and the B Shares rank parri passu in all respects but are separate classes of share
- (b) Any and all dividends that may be paid by the Company shall be declared and paid according to the number of Shares on which the dividend is to be paid, irrespective of the class of Shares or the amounts paid up on those Shares
- (c) The Board is generally and unconditionally authorised for the purposes of Section 80 of the Act to exercise any power of the Company to allot relevant securities (as defined in that Section) to such persons, on such terms and in

* By Written Resolution of the Company dated 23 March 2007, the Share Capital of the Company was increased to £135,000,000 divided into 135,000,000 Ordinary Shares of £1 each

* By Written Resolution of the Company dated 12 March 2008, the Share Capital of the Company was increased to £214,500,000 divided into 214,500,000 Ordinary Shares of £1 each

* By Written Resolution of the Company dated 26 March 2010, the existing issued Ordinary Shares in the capital of the Company were re-designated as A Ordinary Shares of £1 each

** On 28 March 2011, the Company allotted 2,278,111 B Ordinary Shares of £0.001 each. This resulted in the share capital of the Company increasing to £6,420,278.111

such manner as it thinks fit; up to an aggregate nominal amount of £214,500,000 at any time or times during the period of five years from the date on which the resolution of the Company adopting this Article was passed

- (d) The authority contained in paragraph (a) above shall enable the Board to allot relevant securities after the expiry of the said period of five years pursuant to an offer or agreement made by the Company before the expiry of the said period
 - (e) All unissued shares or securities of the Company not comprising relevant securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to such persons, at such times, and on such terms as it thinks proper
 - (f) Pursuant to Section 91 of the Act, sub-section (1) of Section 89 and sub-sections (1) to (6) inclusive of Section 90 of the Act shall be excluded from applying to the Company
- 5 The lien conferred by Regulation 8 shall also attach to fully paid Shares and the Company shall also have a first and paramount lien on all Shares, whether fully paid or not, standing registered in the name of any person, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all monies presently payable by him or his estate to the Company Regulation 8 shall be modified accordingly

FORFEITURE

- 6 The liability of any Member in default of payment of a call shall, if the Board so directs, also include any costs and expenses suffered or incurred by the Company in respect of such non-payment and the powers conferred on the Board by Regulation 18 and the provisions of Regulation 21 shall be extended accordingly

TRANSFER OF SHARES

- 7 The Board may, in its absolute discretion, and without giving any reason therefor, decline to register a transfer of any share whether or not it is a fully paid share Regulation 24 shall not apply to the Company
- 7A Notwithstanding anything contained in these Articles or in Table A, any pre-emption rights on a transfer of shares conferred on existing members by these articles or otherwise shall not apply to, and the Directors of the Company shall not decline to register any transfer of shares, nor may they suspend registration thereof, where the transfer:
- (i) is to any bank or institution to which such shares have been charged by way of security, or to any nominee of such a bank or institution (a "Secured Institution"); or
 - (ii) is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares; or
 - (iii) is executed by a Secured Institution or its nominee pursuant to the power of sale or other power under such security,

and furthermore notwithstanding anything to the contrary contained in these Articles or in Table A no transferor of any shares in the Company to a Secured Institution or

proposed transferor of such shares to a Secured Institution and no Secured Institution shall be required to offer the shares which are or are to be the subject of any transfer aforesaid to the shareholders for the time being of the Company or any of them, and no such shareholder shall have any right under the articles howso-ever to require such shares to be transferred to them whether for consideration or not. Further-more, notwithstanding anything contained in these Articles or in Table A, the Company and the di-rectors shall not be entitled to exercise any lien which the Company has in respect of its shares to the extent a Secured Institution has a charge or mortgage over those shares.

TRANSMISSION OF SHARES

- 8 The Board may at any time give notice requiring any person entitled to a share by reason of the death or bankruptcy of the holder thereof to elect either to be registered himself in respect of the share or to transfer the share and if the notice is not complied with within sixty days the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with Regulation 31 shall be modified accordingly

PROCEEDINGS AT GENERAL MEETINGS

- 9 Regulation 40 shall apply to the Company but with the addition of the words "at the time the meeting proceeds to business" at the end of the first sentence thereof if within half an-hour from the time appointed for a general meeting, a quorum is not present, or if during a meeting a quorum ceases to be present the meeting, If convened upon the requisition of members, shall be dissolved, in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board may determine if a quorum is not present at any such adjourned meeting within half-an-hour from the time appointed for the meeting, the meeting shall be dissolved Regulation 41 shall not apply to the Company
- 10 A poll may be demanded at any general meeting by any member present in person or by proxy and entitled to vote Regulation 46 shall be modified accordingly
- 11 Subject to any rights or restrictions attached to any Shares, on a poll or a show of hands, every member who is present in person or by proxy shall have, one vote for each Share held by such member, irrespective of the class of Shares or the amounts paid up on those Shares

VARIATION OF CLASS RIGHTS

- 12 Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, With the consent in writing of the holders of not less than 75% of the issued shares of that class, or with the sanction of an special resolution passed at a separate meeting of the holders of the issued shares of that class, but not otherwise
- 13 To every separate general meeting of the Company the provisions of these Articles relating to general meetings of the Company and to the proceedings at those meetings shall, with the necessary changes, apply, except that

- (a) the necessary quorum at any such meeting (other than an adjourned meeting) will be two persons holding or representing by proxy not less than 10% in nominal amount of the issued shares of the class (unless only one person holds issued shares of the class in which event such quorum shall be one person holding such shares),
- (b) at an adjourned meeting the necessary quorum will be one person holding shares of the class or his proxy,
- (c) the holders of shares of the relevant class will on a poll have one vote in respect of every share of that class held by them respectively, and
- (d) a poll may be demanded by any holder of shares of the class whether present in person or by proxy or by duly authorised representative

DELEGATION OF DIRECTORS' POWERS

- 14 Any committee of the Board may consist of one or more co-opted persons other than Directors on whom voting rights may be conferred as members of the committee but so
- (a) the number of co-opted members shall be less than one-half of the total number of members of the committee, and
 - (b) no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are Directors

Regulation 72 shall be modified accordingly

APPOINTMENT AND RETIREMENT OF DIRECTORS

- 15 The minimum number of Directors shall be one and in the event of there being a sole Director, he shall have all the powers and be subject to all the provisions herein conferred on the Directors and he or any alternate Director appointed by him shall alone constitute a quorum at any meeting of the Directors Regulations 64, 89 and 90 shall be modified (and all other Regulations in these Articles relating to Directors shall be construed) accordingly
- 16 The Directors shall not be subject to retirement by rotation and accordingly
- (a) Regulations 73 to 75 Inclusive, Regulation 80 and the last sentence of Regulation 84 shall not apply to the Company,
 - (b) Regulation 76 shall apply but with the deletion of the words "other than a director retiring by rotation",
 - (c) Regulation 77 shall apply but with the deletion of the words in brackets "(other than a director retiring by rotation at the meeting)",
 - (d) Regulation 78 shall apply but with the deletion of the words "and may also determine the rotation in which any additional directors are to retire", and
 - (e) Regulation 79 shall apply but with the deletion of the second and third sentences thereof

DIRECTORS

- 17 The Directors shall be entitled to such remuneration (if any) by way of fee as shall from time to time be determined by the Company in General Meeting such remuneration shall be deemed to accrue from day-to-day. An alternate Director may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as his appointor may by notice in writing to the Company from time to time direct. The Directors (including alternate Directors) shall also be entitled to be paid their reasonable travelling, hotel and other expenses of attending and returning from meetings of the Company or otherwise incurred while engaged on the business of the Company or in the discharge of their duties. The end of the first sentence of Regulation 66 shall be modified accordingly and Regulations 82 and 83 shall not apply to the Company
- 18 Subject to the provisions of the Act and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company in any way interested,
 - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is in any way interested,
 - (c) may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested,
 - (d) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, and
 - (e) shall be entitled to vote and be counted in the quorum on any matter concerning paragraphs (a) to (d) above

For the purposes of this Article

- (i) a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an Interest In any such transaction of the nature and extent so specified,
- (ii) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his, and
- (iii) an interest of a person who is, for any purpose of the Act (excluding any statutory modification not in force when this Article becomes binding on the Company), connected with a Director shall be treated as an interest

of the Director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

Regulations 85, 86 and 94 to 97 Inclusive shall not apply to the Company

PROCEEDINGS OF DIRECTORS

- 19 An alternate director who is himself a director and/or who acts as an alternate director for more than one director shall be entitled, in the absence of his appointors), to a separate vote or votes on behalf of his appointor(s) in addition (if he is himself a director) to his own vote Regulation 88 shall be modified accordingly
- 20 Any director, or the secretary at the request of a director, may call a meeting of the directors by giving at least 7 days prior written notice to all the directors unless all the Holding Company Appointed Directors (as hereinafter defined) shall agree shorter notice Regulation 88 shall be modified accordingly
- 21 A quorum shall be two, of whom at least one shall be a Holding Company Appointed Director, or such other number as may be determined by the Company in General Meeting Regulation 89 shall not apply to the Company

AUTHORISATION OF CONFLICTS OF INTEREST

- 22 Subject always to the provisions of the Companies Act 2006 (the "2006 Act"), the board of Directors may from time to time authorise any matter which would, if not so authorised, result in a Director Infringing his duty under section 175 of the 2006 Act to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts or possibly may conflict with the interests of the Company
- 23 Subject to his declaring the nature and extent of the interest in accordance with the 2006 Act (save in the case of an interest falling within paragraph 23(a) below which shall not require to be so declared), a Director is permitted to have an interest in the following kind
 - (a) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest,
 - (b) where the Director (or person connected with him) is a Director or other officer of or employed by or otherwise interest (including by the holding of Shares) in any Relevant Company,
 - (c) where the Director (or person connected with him) is a party to, or otherwise interested in any contract, transaction or arrangement with a Relevant Company or in which the Company is otherwise interested, and
 - (d) any other interest authorised by ordinary resolution,

and no authorisation pursuant to Article 21 shall be required in relation to such interest

NOTICES

- 24 A notice served by post shall be deemed to be given at the expiration of twenty-four hours (or, where second class mail is employed, forty-eight hours) after the time when

the cover containing the same is posted. The second sentence of Regulation 115 shall not apply to the Company

INDEMNITY

- 25 Subject to the provisions of the Act but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties or in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company Regulation 118 shall not apply to the Company

WINDING UP

- 26 Any distribution to a member on a liquidation, reduction of capital, dissolution or winding up of the Company shall be determined by the number of Shares on which the distribution is made irrespective of the class of Shares or the amounts paid up on those Shares