

Company Number 3286173

THE COMPANIES ACT 1985

SPECIAL RESOLUTION

VALLEYS FURNITURE RECYCLING LTD

Held at a meeting on 19th day of June, 2000

At Rhondda Heritage Park Hotel

At the Annual General Meeting of the above named company, it was agreed by Special Resolution to:-

Adopt the Articles of Association in the form attached hereto as the Company Articles of Association in substitution for all existing articles of Association.

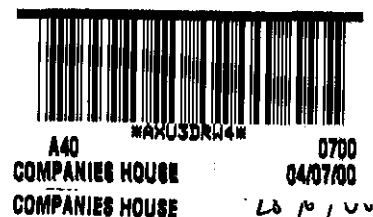
Delete existing clauses 1 – 4 of the Company Memorandum and replace with new clauses 1 – 4 in the form attached hereto.

Delete existing clauses 7 and replace with a new clause 7 in the form attached hereto

Signed:


Lynda Davies, Company Secretary

Dated: 20th June, 2000



THE COMPANIES ACTS 1985 AND 1989

**COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL**

VALLEYS FURNITURE RECYCLING LIMITED

MEMORANDUM OF ASSOCIATION

- 1 The name of the Company is Valleys Furniture Recycling Limited (and in this document it is called 'the Company').
- 2 The registered office of the Company is to be situated in Wales.
- 3 The objects of the Company (in this document referred to as 'the Objects') are:
 - 3.1 to assist with the relief of poverty by helping to meet the furniture and household needs of people on low income by, but not limited to, recycling furniture which would otherwise be thrown away and by advancing more sustainable waste management practices; and
 - 3.2 to advance the development and education of people by providing opportunities to volunteer and to train, so as to develop work skills and social skills, gain work experiences and encourage social integration.
- 4 In furtherance of the Objects but not otherwise the Company may exercise the following powers:
 - 4.1 to raise funds and to invite and receive contributions from any person or persons whatsoever by way of subscription, donation or otherwise provided that this shall be without prejudice to the ability of the Company to disclaim any gift, legacy or bequest in whole or in part in such circumstances as the Company may think fit, and provided also that the Company shall not undertake any substantial permanent trading activities and shall conform to any statutory regulations;
 - 4.2 to charge fees for services, including for the hire or use of premises and equipment, and for goods produced or supplied by the Company as and when the Company considers it necessary and appropriate to do so in order to recover its outlay, provided that such charging shall not be on a profit making basis and shall not involve engaging in any substantial permanent trading;
 - 4.3 to enter into contracts with other bodies or persons, to make or receive payment and to provide or receive goods or services on such contracts for the achievement of the Objects, provided that in doing so the Company shall not enter into any substantial permanent trading;

Directors in reckless disregard of whether it was a breach of trust or breach of duty or not;

- 4.14 to commission or undertake research and to publish or disseminate the findings of research or other information in support of the Objects provided that in so doing the Company shall not undertake political campaigning;
- 4.15 to provide, support or assist in the provision of exhibitions, meetings, conferences, seminars, lectures or other similar activities for the achievement of the Objects provided that in so doing the Company shall not undertake political campaigning;
- 4.16 to establish or support or aid the establishment and support of any charitable trusts, associations or institutions formed for all or any of the Objects;
- 4.17 to subscribe to, become a member of, amalgamate or cooperate with other charities, voluntary bodies or other bodies not formed for the purposes of profit, and to cooperate with statutory bodies in furtherance of the Objects or of similar charitable purposes and to exchange information and advice with them;
- 4.18 to bring together in association representatives of charities, voluntary bodies, statutory bodies and other bodies not formed for the purposes of profit within the area of benefit of the Company with the aim of promoting cooperation and collaboration in the achievement of the Objects;
- 4.19 to establish or aid the establishment of any trading company or subsidiary (which may be wholly or partly owned by the Company) and to receive funds from any such company by way of deed of covenant or dividend and to invest funds of the Company in any such company provided that such investment shall only take the form of properly secured loans and provided also that it shall be subject to such conditions or consents as may for the time being be imposed or required by law;
- 4.20 to obtain, acquire or purchase all permits, licences or intellectual property rights which the Company shall think necessary for the lawful conduct of its activities or to ensure the protection of its property;
- 4.21 to institute or defend legal proceedings relating to the Company, its property, its employees and voluntary workers and its Directors, and to meet legal costs (where these are not recoverable from other parties) from the funds of the Company;
- 4.22 to pay out of the funds of the Company the costs, charges and expenses of and incidental to the formation, incorporation, registration, maintenance and administration of the Company;

- 4.4 to operate bank or building society accounts in the name of the Company and to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other similar instruments;
- 4.5 to borrow and raise money on loan or advance in such manner and upon such security as the Company shall think fit;
- 4.6 to invest in the name of the Company the monies of the Company not immediately required for the furtherance of its objects in or upon such investments, securities and property as the Company may think fit, subject nevertheless to such conditions and consents as may for the time being be imposed or required by law;
- 4.7 to expend the funds of the Company in such manner as the Company shall consider most beneficial for the achievement of the Objects;
- 4.8 to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges and to construct, maintain, alter or improve any buildings which the Company may think fit for the promotion of the Objects;
- 4.9 to insure to full value against loss or damage any property owned by or in the possession or use of the Company and to pay the premiums for such insurance from the funds of the Company;
- 4.10 to sell, let, mortgage, turn to account or otherwise dispose of all or any of the real or personal property of the Company;
- 4.11 to employ and pay such staff (who shall not be Directors of the Company) as are necessary for the proper pursuit of the Objects and to make all reasonable and necessary provision for the payment of pensions and superannuation to staff and their dependants;
- 4.12 to insure and indemnify all employees and voluntary workers of the Company against loss, accident, death, personal injury, professional liability and all other such risks incurred in the performance of their duties to a value which the Company may think fit (but which shall at least be to any minimum value for the time being required by law) and to pay the premiums for such insurance from the funds of the Company;
- 4.13 to obtain indemnity insurance and to pay the premiums for such insurance from the funds of the Company to cover the liability of the Directors of the Company (in this document referred to as 'the Directors') which by virtue of any rule of law would otherwise attach to them in respect of negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Company; provided that any such insurance shall not extend to any claim arising from any act or omission which the Directors knew to be a breach of trust or breach of duty or which was committed by the

- 8 If the Company is wound up or dissolved and after all its debts and liabilities have been satisfied there remains any property it shall not be paid to or distributed among the members of the Company, but shall be given or transferred to some other Company or charities having objects similar to the Objects which prohibits the distribution of its or their income and property to an extent at least as great as is imposed on the Company by clause 5 above, chosen by the members of the Company at or before the time of dissolution and if that cannot be done then to some other charitable object.

Clauses 5 and 8 of this Memorandum shall not be the subject of any amendment made by Special resolution of the membership of the Company in general meeting and section 17 of the Companies Act 1985 shall not apply.

- 4.23 to do all such other lawful things as are necessary for the achievement of the Objects.
- 5 The income and property of the Company shall be applied solely towards the promotion of the Objects and no part shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit, to members of the Company, and no Director shall be appointed to any office of the Company paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the Company; provided that nothing in this document shall prevent any payment in good faith by the Company:
- 5.1 of the usual professional charges for business done by any Director who is a solicitor, accountant or other person engaged in a profession, or by her or his partner or firm, when instructed by the Company to act in a professional capacity on its behalf; provided that at no time shall a majority of the Directors benefit under this provision and that a Director shall withdraw from any meeting at which her or his appointment or remuneration, or that of her or his partner or firm, is under discussion;
- 5.2 of reasonable and proper remuneration for any services rendered to the Company by any member, officer or servant of the Company who is not a Director;
- 5.3 of interest on money lent by any member of the Company or Director at a reasonable and proper rate per annum not exceeding 2 (two) per cent less than the published base lending rate of a clearing bank to be selected by the Directors;
- 5.4 of fees, remuneration or other benefit in money or money's worth to any company of which a Director may also be a member holding not more than one hundredth part of the issued capital of that company;
- 5.5 of reasonable and proper rent for premises demised or let by any member of the Company or a Director;
- 5.6 of reasonable payments to reimburse any Director for out-of-pocket expenses incurred by her or him in the course of carrying out her or his duty as a Director.
- 6 The liability of the members of the Company is limited.
- 7 Every member of the Company undertakes to contribute such amount as may be required, not exceeding £1 (one pound), to the Company's assets if it should be wound up while she or he is a member or within one year after she or he ceases to be a member, for payment of the Company's debts and liabilities contracted before she or he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of contributories amongst themselves.

VALLEYS FURNITURE RECYCLING LIMITED

ARTICLES OF ASSOCIATION

Interpretation

1 In these Articles:

'the Company' means the company intended to be regulated by these Articles;

'the Act' means the Companies Act 1985 including any statutory modification or re-enactment of the Act for the time being in force;

'the Articles' means these Articles of Association;

'the Memorandum' means the Memorandum of Association of the Company;

'the Directors' means the directors of the Company (and 'Director' has a corresponding meaning) who shall be regarded as the Trustees of the Company for the purposes of charity law;

'the Secretary' means the Secretary of the Company or any other person appointed to perform the duties of the Secretary of the Company, including a joint, assistant or deputy Secretary;

'the Office' means the registered office of the Company;

'clear days' in relation to the period of a notice means the period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

'the United Kingdom' means Great Britain and Northern Ireland.

'immediate family' in relation to persons connected to an Employee Member means any spouse, parent, grandparent, sibling, child or grandchild, whether through marriage or otherwise of an Employee Member;

2 Subject as aforesaid, words or expressions contained in these Articles and in the Memorandum shall, unless the context requires otherwise, bear the same meaning as in the Act but excluding any statutory modification not in force when these regulations become binding upon the Company.

exercise if it were an individual person, provided that no person shall be appointed as representative who:

- 10.1 is an employee or an immediate family member of an employee of the Company as provided for by Article 6; or
 - 10.2 has previously been refused Individual Membership of the Company or who has had her or his Individual Membership terminated by resolution of the Directors.
- 11 Each application for membership and (where applicable) other supporting evidence shall be considered by the Directors at their first meeting after its receipt.
- 12 If the Directors resolve at any meeting to admit an applicant to membership, the Directors shall notify the applicant in writing accordingly within a period of 7 (seven) days after the meeting and such notification shall include:
- 12.1 details of the membership category to which the applicant has been assigned; and
 - 12.2 a request for payment of any annual subscription fee applicable to the category of membership for the time being in force as provided for in Articles 27 to 30
- 13 Any resolution by the Directors to admit an applicant to membership shall be deemed conditional on the payment by the applicant of the full amount of any annual membership subscription for the time being in force, as provided for in Articles 27 to 30

Register of members

- 14 The Directors shall keep a Register of Members. In addition to the particulars required by section 352 of the Act, there shall be entered against each name on the register details of:
- 14.1 the membership category to which the member has been assigned; and
 - 14.2 in the case of a Representative Member, particulars of the body which nominated her or him for membership.
- 15 The Directors may at any time by notice in writing request any member to provide the Company with such evidence and particulars as are necessary and reasonable for the purpose of maintaining the Register.

Refusal of membership

- 16 The Directors may at their discretion refuse to admit any person or body into membership, notwithstanding that the person or body in question fulfilled the qualifications for membership, in such cases where they consider there are

Membership

- 3 For the purposes of registration the number of members of the Company is declared not to exceed 300 (three hundred), but the Directors may from time to time register an increase in members.
- 4 The subscribers to the Memorandum and such other persons or bodies as are admitted to membership in accordance with these Articles shall be members of the Company.
- 5 The Directors may admit to ***FULL Membership***:
 - 5.1 subject to the exclusions of Article 6 any person who has attained the age of 18 (eighteen) years and who is in agreement with the Objects of the Company, without discrimination between persons on any other grounds (in these Articles described as 'Individual Members'); or
 - 5.2 any society, unincorporated association or company which is in agreement with the Objects of the Company (in these Articles described as 'Organisation Members');
- 6 The Directors may admit to ***ASSOCIATE Membership***:
 - 6.1 any person who is an employee of the Company who for the purposes of these Articles shall be described as an 'Employee Member'; or
 - 6.2 the immediate family of any Employee Member as defined by Article 1.
- 7 Any FULL Member of the Company who becomes employed by the Company or who is a member of the immediate family of a person who becomes employed by the Company shall automatically have her or his category amended to that of ASSOCIATE Member from the date from which the said employment commences.
- 8 The rights and privileges of a member shall not be transferable and all such rights and privileges shall cease upon the member ceasing to be such

Application for and admission to membership

- 9 Any person or body wishing to become a member of the Company shall lodge with the Company a written application for membership in such form as the Directors shall from time to time decide, signed by the applicant or by the appropriate officials of the applicant body. The Directors may require additional evidence in support of any application for membership at their discretion.
- 10 A body wishing to become an Organisation Member shall also be required by resolution of its governing body to appoint a representative, who shall during the continuance of her or his appointment be entitled to exercise in any general meeting of the Company all such rights and powers as the body would

receive such representations (unless they are received too late for them to do so) the Directors shall:

- 22.1 state the fact of the representations having been made in the notice convening the meeting at which the resolution is to be proposed; and
 - 22.2 send a copy of the representations to every person or body to whom notice of the meeting was or is given.
- 23 Whether or not a copy of written representations has been given to each of the persons entitled to receive notice of the meeting under Article 22.2, the member in question shall have the right to be heard at the meeting before a final decision is taken.
- 24 Failure to follow correctly any of the provisions of Articles 20 to 23 shall render any resolution for the expulsion of a person or body from membership invalid.
- 25 A person or body whose membership is terminated under Articles 19 to 23 shall cease to be a member with effect from the time at which the resolution to expel her, him or it was passed.
- 26 A person or body whose membership is terminated or who tenders resignation of the Company shall not be entitled to the refund of any annual subscription paid in respect of the accounting year in which the resignation or expulsion takes effect.

Membership subscriptions

- 27 The Company may, by ordinary resolution, introduce an annual subscription for membership, and determine the amount of such a subscription and vary the amount from time to time and from one membership category to another and introduce or revoke any concessions or waivers in special circumstances.
- 28 Any annual subscription for the time being in force shall be due on each accounting reference date of the Company and shall (subject to Articles 26 and 30) be deemed to relate to the period from one accounting reference date to the next.
- 29 The Directors shall give to all members not less than 10 (ten) clear days' notice of such accounting reference date; each notice shall specify the amount of membership subscription which will be due and shall state the possible consequence (under Article 19.1) of failure to make payment.
- 30 Any person or body who ceases to be a member of the Company for whatever reason shall not be entitled to any refund of any annual subscription paid by her, him or it, whatever the period between the date on which the membership subscription last fell due and the date of ceasing to be a member.

reasonable grounds to do so; provided that any person or body whose membership is refused shall have the right to be heard by the Directors before a final decision is taken, and thereafter a right of appeal to a general meeting of the Company.

- 17 If the Directors resolve at any meeting to refuse admission of an applicant to membership they shall notify the applicant in writing accordingly within a period of 7 (seven) days after the meeting and such notification shall include:
 - 17.1 the reasons why the resolution to refuse admission to membership was made; and
 - 17.2 details of the applicant's rights to be heard as provided for in Article 16.

Termination of or expulsion from membership

- 18 Any person or body wishing to withdraw from membership shall lodge with the Company a written notice of retirement and upon receipt of such notice by the Company she, he or it shall cease to be a member of the Company; provided that after such retirement the number of members is not fewer than 2 (two).
- 19 The Company may, by special resolution, terminate the membership of any person or body in cases where:
 - 19.1 any annual membership subscription for the time being in force has not been paid by the end of the 28th (twenty eighth) day after the accounting reference date on which it fell due; or
 - 19.2 the Company believes that the actions of the member in question have brought, or risk bringing the Company into disrepute; or
 - 19.3 the Company believes that the member in question has breached any explicit rules of the Company or other reasonable rules or standards of good order.
- 20 The Directors shall report all such actions to terminate membership to the next general meeting of the Company which shall investigate the conduct of the member in question and resolve appropriately. Any member under investigation shall have the right to address the Company in general meeting before a final decision is made.
- 21 Any member wishing to propose the expulsion of another person or body from membership shall lodge with the Directors a written notice of her, his or its intention to do so (identifying the member concerned and stating the grounds for the proposed expulsion) not less than 2 (two) weeks before the date of the next general meeting of the Company.
- 22 The Directors shall, on receipt of a notice under Article 21, send a copy of the notice to the member concerned who shall have the right to make written representations to the Directors with regard to the notice. If the Directors

at least 14 (fourteen) clear days' notice but a general meeting may be called by shorter notice if so agreed:

37.1 in the case of an Annual General Meeting, by all the members entitled to attend and vote; and

37.2 in the case of any other meeting by a majority in number of the members having a right to attend and vote, being a majority together holding not less than 95% (ninety five per cent) of the total voting rights at the meeting of all members.

38 The notice of all general meetings shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of the Annual General Meeting shall specify the meeting as such.

39 The notice of all general meetings shall be given to all members and Directors of the Company and to the auditors of the Company (if any).

40 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person or body entitled to receive notice shall not invalidate the proceedings at that meeting.

Proceedings of general meetings: quorum

41 Every member of the Company and such other persons as receive notice shall be entitled to attend and speak at a general meeting.

42 No business shall be transacted at a general meeting unless a quorum is present. One third of the membership for the time being shall be the quorum provided that a general meeting shall be deemed to be inquorate where the sum of the numbers of Employee members, officers and elected members of a local authority or landfill operator is greater than one half of the members present.

43 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 shall stand adjourned to such time and place as the Directors shall decide.

44 If at an adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be deemed to be a quorum, provided that an adjourned general meeting shall be deemed to be inquorate where the sum of the numbers of Employee members, officers and elected members of a local authority or landfill operator is greater than one half of the members present.

Proceedings of general meetings: chairperson

45 The Chairperson of the Directors (or in her or his absence the Vice-Chairperson) shall, if present, preside as chairperson of a general meeting. If

General meetings

- 31 The Company shall hold an Annual General Meeting in each calendar year in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it.
- 32 Not more than 15 (fifteen) months shall elapse between one Annual General Meeting and the next; provided that so long as the Company holds its first Annual General Meeting within 18 (eighteen) months of its incorporation, it need not hold it in the year of its incorporation or in the following year.
- 33 Subject to Article 32 and to the requirements under section 366 of the Act, the Annual General Meeting shall be held at such times and places as the Directors shall decide.
- 34 The business of the Annual General Meeting shall include:
- 34.1 the receipt of the report of the Chairperson and the Directors of the Company; and
 - 34.2 the consideration of audited accounts (if any) presented by the Directors; and
 - 34.3 the appointment or election of Directors to fill vacancies among their number arising through retirement; and
 - 34.4 the consideration of the application of any surplus funds or profits; and
 - 34.5 the appointment of the auditors of the Company's accounts (if any) and the fixing of their remuneration.

All other business transacted at an Annual General Meeting shall be deemed Special.

- 35 All general meetings of the members of the Company other than Annual General Meetings shall be called extraordinary general meetings.
- 36 The Directors may call extraordinary general meetings and, on the requisition of the members pursuant to the provisions of section 368 of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not less than 8 (eight) weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to call an extraordinary general meeting, any member of the Company may call an extraordinary general meeting.

Notice of general meetings

- 37 An Annual General Meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by at least 21 (twenty one) clear days' notice. All other extraordinary general meetings shall be called by

The chairperson may appoint scrutineers (who need not be members) and may fix the time and place for declaring the results of the poll.

- 53 The result of a poll shall be deemed to be the resolution of the meeting at which the poll is demanded and taken.
- 54 If the chairperson directs that the result of a poll is not to be declared immediately this shall not prevent the continuance of a meeting for the transaction of any other business other than the question on which the poll was taken.
- 55 For business transacted by means of ordinary resolution for which a simple majority is required, in the case of an equality of votes, whether on a show of hands or on a poll, the chairperson shall be entitled to a casting vote.
- 56 Subject to the provisions of the Act a resolution in writing signed by all the members entitled to attend and vote at a general meeting shall be as effectual as if it had been passed at a general meeting. Such a resolution may consist of several documents in the same form, each signed by one or more members.

Votes of members

- 57 Subject to Articles 55, 58 and 69 every member of the Company shall have one vote.
- 58 No member of the Company shall be entitled to vote at any general meeting unless all monies then payable by her or him in the form of subscriptions or otherwise have been paid in full.
- 59 Votes at general meetings may be given either personally by members or their appointed representatives or by proxy. The instrument appointing a proxy shall be in writing under the hand of the appointer and shall be deposited with the chairperson of the general meeting before a poll is taken. A proxy need not be a member of the Company.
- 60 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairperson of the meeting whose decision shall be final and conclusive.

Board of Directors

- 61 The business of the Company shall be managed and administered by a Board of Directors who shall be accountable to the members of the Company and who shall be regarded as the Directors of the Company for the purposes of the Act and the Trustees of the Company for the purposes of charity law.

neither the Chairperson or the Vice-Chairperson is present or willing to act as chairperson within half an hour from the time appointed for the commencement of the meeting the Directors present shall appoint one of their number to act as chairperson of the meeting or, if only one Director is present and willing to act, she or he shall be chairperson.

- 46 If no Director willing to act as chairperson is present within half an hour from the time appointed for the commencement of the meeting, the members present shall elect one of their number to act as chairperson of the meeting.

Proceedings of general meetings: adjournment

- 47 The chairperson may, with the consent of a general meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place; provided that no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had an adjournment not taken place.
- 48 When a general meeting is adjourned for 28 (twenty eight) days or more, at least 7 (seven) clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

Proceedings of general meetings: resolutions

- 49 A resolution put to the vote of a meeting shall be decided upon by a show of hands or other suitable signal unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded by:
- 49.1 the chairperson of the meeting; or
 - 49.2 a member or members representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting.
- 50 Unless a poll is demanded in accordance with Article 49, a declaration by the chairperson that a resolution has been carried or carried unanimously or by a particular majority, or lost or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against the resolution.
- 51 The demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairperson. The withdrawal of a demand for a poll shall not invalidate the result of a show of hands declared before the demand for a poll was made.
- 52 If a poll is demanded in accordance with Article 49 it shall be taken at once by means of a secret ballot of all the members present and entitled to vote (both FULL and ASSOCIATE) and shall be conducted in such a manner as the chairperson shall direct.

without limit to the number of consecutive terms of office she or he may hold, provided that she or he is properly nominated in accordance with the requirements of the preceding Article.

- 68 At each Annual General Meeting the Company shall by ordinary resolution appoint to the Board of Directors any member of the Company in respect of whom a written nomination has been received in compliance with Article 66 provided that:

68.1 no member shall be appointed if, as a result, the number of Directors would exceed the maximum number provided for in Article 62.1; and

68.2 no member shall be appointed who is disqualified from acting under the provisions of Article 74.

- 69 In the event that the number of nominations lodged with the Company in compliance with Article 66 exceeds the number of vacancies, a secret ballot shall be held at the Annual General Meeting, amongst FULL members. Those persons receiving the highest number of votes cast in favour of their appointment, up to but not exceeding the maximum number of places vacant, shall by ordinary resolution be appointed as Directors, provided that no person is appointed in this manner who is disqualified from acting under the provisions of Article 74.

Board of Directors: vacancies among elected Directors

- 70 The Directors may at any time appoint any FULL member of the Company to fill any vacancy in the number of elected Directors, provided that no member shall be appointed in this manner who is disqualified from acting under the provisions of Article 74.

- 71 A FULL member appointed to the Board of Directors under the provisions of Article 70 shall hold office only until the conclusion of the next Annual General Meeting at which time she or he shall retire and shall not form part of the body of elected members subject to retirement by rotation. A Director retiring in this manner shall be eligible to be re-appointed or re-elected for a further term, without limit to the number of consecutive terms of office she or he may hold, provided that she or he is properly nominated in accordance with the requirements of the Article 66.

Board of Directors: co-opted Directors

- 72 The Directors may at any time co-opt any additional person, who need not be a member of the Company, to be a co-opted Director in cases where it considers the person in question has knowledge, skills or experience that will assist the Board of Directors in the performance of its duties, provided that no person shall be co-opted:

62 Unless otherwise determined by the Company in a general meeting the number of Directors shall be not fewer than 3 (three) and not greater than 15 (fifteen) as follows:

62.1 a maximum of 12 (twelve) FULL members of the Company appointed or elected at the Annual General Meeting, whose nomination, appointment and retirement is provided for by Articles 64 to 69 inclusive (for the purposes of these Articles referred to as 'elected Directors'); and

62.2 a maximum of 3 (three) persons co-opted by the Directors who need not be members of the Company and whose co-option and retirement is provided for by Articles 72 to 73 inclusive (for the purposes of these Articles referred to as 'co-opted Directors').

Provided that no person who is an Employee Member of the Company or a member of an Employee Member's immediate family as provided for by Article 6 shall be eligible to be a Director.

63 The first Directors shall be those persons named in the statement delivered pursuant to section 10(2) of the Act, who shall be deemed to have been appointed under the Articles. Future Directors shall be appointed or elected as provided for subsequently in these Articles.

Board of Directors: appointment and retirement of elected Directors

64 At the end of the first Annual General Meeting all the elected Directors shall retire from office and at the end of every subsequent Annual General Meeting one third of the elected Directors who are subject to retirement by rotation or, if their number is not 3 (three) or a multiple of 3 (three), the number nearest to one third shall retire from office; but if there is only 1 (one) Director who is subject to retirement by rotation she or he shall retire.

65 Subject to the provisions of the Act, the elected Directors to retire by rotation shall be those who have been longest in office since their last appointment or re-appointment, but as between persons who became or were last re-appointed on the same day those to retire shall be agreed among themselves, or otherwise be determined by lot.

66 Invitations to nominate a person to hold office as an elected Director in a form to be agreed by the Directors shall be sent to all FULL members of the Company, with the notice of the Annual General Meeting. Duly completed nominations shall be accepted by the Company up to 14 (fourteen) days before the date assigned for the meeting. All nominations shall bear the signature of the nominated member and of a proposer and seconder all of whom shall be FULL members of the Company' shall be eligible to affix her or his signature to any such nomination in any capacity. An ASSOCIATE member shall not be eligible.

67 Any person who is subject to retirement under the provisions of Articles 64 and 65 shall be eligible to be re-appointed or re-elected for a further term,

Board of Directors: remuneration and expenses

- 77 Subject to Clause 5 of the Memorandum and to Article 78 no Director shall be entitled to any remuneration, whether in respect of her or his office as Director or as a holder of any executive office of the Company.
- 78 The Directors may be paid all reasonable travelling, subsistence and other expenses incurred by them in connection with their attendance at meetings of the Directors, general meetings of the Company or otherwise in connection with the discharge of their duties.

Board of Directors: appointments to executive office

- 79 At their first meeting after each Annual General Meeting the Directors shall appoint 2 (two) from among their member to the unremunerated executive offices of Chairperson and Vice-Chairperson and, in addition to the duties assigned to such offices by these Articles, may delegate such other tasks and duties to them as they think fit, provided that:
- 79.1 only elected Directors as provided for by Article 62.1 shall be appointed to such offices and not Directors who are co-opted under Article 62.2; and
- 79.2 any such appointment shall cease if the Director holding the office ceases for whatever reason to be a Director.
- 80 The Directors may appoint one or more of their number to any other unremunerated executive office of the Company. Any such appointment shall be made upon such terms as the Directors may decide and shall terminate if the member holding the office ceases to be a Director.
- 81 Subject to Articles 79.2, 80 and 83 the Chairperson, Vice-Chairperson and any other executive officer of the Company shall hold office until the conclusion of the Annual General Meeting which next follows their appointment.
- 82 An officer whose period of executive office expires under Article 81 may be re-appointed to such office or to any other executive office without limit to the number of consecutive years she or he may hold that office, provided that she or he continues to be an elected Director.
- 83 An officer may resign her or his executive office by written notice to the Company without prejudice to her or his right to continue to serve as a Director.
- 84 In the event that the Chairperson or Vice-Chairperson resigns her or his office under Article 83 the Directors shall, as soon as reasonably practicable after

- 72.1 if, as a result, the number of co-opted Directors would exceed the maximum number provided for in Article 62.2; or
- 72.2 who is disqualified from acting under the provisions of Article 74.
- 73 A Director co-opted under Article 72 shall retire at the end of the Annual General Meeting next after the date on which she or he was co-opted, but she or he may be co-opted by the Directors for a further term without limit to the number of consecutive terms she or he may hold office.

Board of Directors: removal and disqualification of Directors

- 74 A Director, whether an elected Director or co-opted Director, shall cease to hold office if she or he:
- 74.1 is prohibited by virtue of any provision of the Act from acting as a company director or is disqualified from acting as a Company trustee by virtue of section 72 of the Charities Act 1993 (or any statutory re-enactment or modification of these Acts); or
- 74.2 becomes incapable for medical reasons of fulfilling the duties of her or his office and such incapacity is expected to persist for a period of longer than 6 (six) months; or
- 74.3 becomes an employee or a member of the immediate family of an employee of the Company, or
- 74.4 resigns her or his office by written notice to the Company (but only if at least 3 (three) Directors will remain in office when the notice of resignation is to take effect); or
- 74.5 is absent without the permission of the other Directors for a period of more than 3 (three) consecutive meetings of the Board of Directors and the remaining Directors resolve to remove her or him from office; or
- 74.6 is removed from office by resolution of a general meeting of the Company pursuant to sections 303 and 304 of the Act.

Powers of the Directors

- 75 Subject to the provisions of the Act, the Memorandum of Association, these Articles and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Management Committee.
- 76 No alteration of the Memorandum or the Articles and no direction by special resolution shall invalidate any prior act of the Management Committee which would have been valid if that alteration had not been made or that direction had not been given.

- 92 All acts done and all decisions made by a meeting of Directors, or of a committee of Directors shall be valid, notwithstanding that it afterwards be discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office or were not entitled to vote.
- 93 Except as otherwise provided for in these Articles, a Director shall not vote at a meeting of Directors or at a meeting of a committee of Directors on any resolution concerning a matter in which she or he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company unless her or his interest or duty arises only because the case falls within either or both of the following:
- 93.1 the resolution relates to giving her or him a guarantee, security or indemnity in respect of money lent to, or any obligation incurred by her or him for the benefit of the Company or any of its subsidiaries;
- 93.2 the resolution relates to the giving to a third party of a guarantee, security or indemnity in respect of an obligation of the Company or any of its subsidiaries for which the Director has assumed responsibility in whole or part (and whether alone or jointly with others) under a guarantee or by the giving of security.
- 94 For the purpose of Article 93, an interest of a person who is, for any purpose of the Act (excluding and statutory modification not in force at the date of incorporation of the Company), connected with a Director shall be treated as an interest of the Director.
- 95 A resolution in writing, signed by all the Directors entitled to receive notice of a meeting or of a committee of Directors, shall be as valid and effective as if it had been passed at a meeting or committee of Directors duly convened and held. Such a resolution may consist of several documents in the same form, each signed by one or more of the Directors.

Delegation to sub-committees of Directors or to executive officers

- 96 The Directors may appoint 1 (one) or more sub-committees consisting of 3 (three) or more Directors for the purpose of making any inquiry or supervising or performing any function or duty which in the opinion of the Directors would be more conveniently undertaken or carried out by a sub-committee, provided that:
- 96.1 the Directors shall decide the terms of reference and the extent and limits to the authority of any sub-committees they appoint; and
- 96.2 all acts and proceedings of any such sub-committees shall be fully and promptly reported to the Directors.

such resignation, appoint another from among their number to hold such office in her or his place, provided that:

- 84.1 only elected Directors as provided for by Article 62.1 shall be appointed to such offices and not Directors who are co-opted under Article 62.2; and
- 84.2 any Director appointed to executive office under this Article shall hold such office only until the conclusion of the next Annual General Meeting.

Proceedings of Directors' meetings

- 85 Subject to the provisions of the Articles, the Directors may regulate their proceedings as they think fit.
- 86 Any Director may, and the Secretary if requested by a Director shall call a meeting of the Directors at a reasonable time and giving a reasonable period of notice. It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom.
- 87 The Secretary shall be bound, on the expiry of a period of 8 (eight) weeks after receipt of a written application for membership (and, if appropriate, supporting evidence) complying with Article 9, to call a meeting of the Directors if no meeting of the Directors has been held during that period. Any meeting called by the Secretary under this Article shall be held not later than 7 (seven) days after the expiry of the 8 (eight) week period.
- 88 The Directors may decide upon a quorum for the transaction of business at their meetings, provided that they shall not fix a number which is less than one *third of their number or 3 (three) Directors, whichever is the greater*. A meeting shall be deemed inquorate where greater than half the members present shall be officers or elected members of a local authority or Landfill operator.
- 89 The Directors may act notwithstanding any vacancies in their number, but if the number of Directors is less than the number fixed as a quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or calling a general meeting.
- 90 The Chairperson shall chair meetings of the Directors, but if the Chairperson is not present within 15 (fifteen) minutes after the time appointed for the commencement of the meeting, or if she or he is unwilling to act, the Vice-Chairperson shall chair the meeting. If the Vice-Chairperson is also not present within 15 (fifteen) minutes of the time appointed for the commencement of the meeting, or if she or he is also unwilling to act, the Directors present may appoint one among their number to chair the meeting.
- 91 Questions arising at a meeting of Directors shall be decided a majority of votes. Subject to Article 93 all Directors shall have one vote, but in the case of *an equality of votes the Chairperson or whoever is chairing the meeting shall have a casting vote*.

Finances and accounts

- 102 Any bank account in which any part of the assets of the Company is deposited shall be operated by the Directors and shall indicate the name of the Company. All cheques, promissory notes and orders for the payment of money from such an account and all bills of exchange and other negotiable instruments and all receipts of money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time determine.
- 103 The Directors shall cause proper accounting records to be kept in accordance with sections 221 to 223 (inclusive) of the Act. These records shall include:
- 103.1 all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place; and
- 103.2 all sales and purchases of goods and services by the Company; and
- 103.3 the assets and liabilities of the Company.
- 104 The accounting records of the Company shall be kept at the registered address of the Company or, subject to section 222 of the Act, at such other place as the Company thinks fit, and shall at all times be open to inspection of all members of the Company upon approval of the Directors during normal working hours and by such other persons authorised by the Company in general meeting.
- 105 The Directors shall cause to be prepared and laid before the Company in general meeting such accounts, balance sheets and financial reports as are required by the Act.. A copy of every balance sheet which is to be laid before the Company in general meeting, together with a copy of the auditor's report and the Company's annual report shall be sent to all members of the Company.
- 106 The Company shall appoint auditors and regulate the duties of such auditors in accordance with Chapter V Part XI of the Act.

Application of surplus

- 107 The surplus funds of the Company shall be applied in the following ways, in such proportions and in such manner as may be recommended by the Directors and approved at the Annual General Meeting;
- 107.1 to create or add to a general reserve for the continuation and development of the Company; and
- 107.2 to make payment for social and charitable purposes in furtherance of the Objects of the Company.

Any sub-committee appointed by the Directors under this Article may be removed or its composition or its terms of reference may be altered by the Directors as they think fit.

- 97 The Directors may delegate to the Chairperson under 'Chairperson's Action' such powers and duties as they consider desirable or appropriate to be delegated to her or him; provided that:
- 97.1 whenever possible the Chairperson shall normally act so only after consultation with at least 2 (two) other Directors; and
 - 97.2 all actions taken under this Article shall be fully and promptly reported to the next meeting of the Directors with the request that they be noted; and
 - 97.3 expenditure that may be incurred under such action shall not exceed a sum to be determined by the Directors; and
 - 97.4 such action shall not extend to the appointment or dismissal of any employee of the Company, but be limited to the suspension of any employee until such time as that employee's case can be properly dealt with in accordance with the Company's disciplinary procedures.
- 98 Subject to any condition imposed in pursuance of Article 96, the proceedings of a sub-committee consisting of 3 (three) or more Directors shall be governed by the Articles regulating the proceedings of meetings of the Directors so far as they are capable of applying.

Secretary

- 99 Subject to the provisions of the Act, the Secretary shall be appointed by the Directors for such term, at such remuneration (if not a Director) and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them.

Minutes

- 100 The Directors shall keep minutes in books kept for the purpose of:
- 100.1 all proceedings at general meetings of the Company and at meetings of the Directors and at any sub-committees of Directors, including the names of the Directors present at each meeting; and
 - 100.2 all appointments of executive officers made by Directors.
- 101 All such minutes shall be open to inspection by any member of the Company during the Company's normal working hours and by any person authorised by the Company in general meeting.

- 113.4 the procedure at general meetings and meetings of the Directors and sub-committees of the Directors insofar as such procedure is not regulated by these Articles; and
- 113.5 generally, all such matters as are commonly the subject of company and charity rules.
- 114 Subject to Article 115 the Company in general meeting shall have power to alter, add to or repeal the rules or bye-laws and the Directors shall adopt such means as they think sufficient to bring to the notice of members of the Company all such rules or bye-laws, which shall be binding on all members of the Company.
- 115 No rules or bye-law may be made by the Directors or by the Company in general meeting which would be inconsistent with the Act or with the Memorandum or Articles of the Company and no resolution shall be made which would have the effect of repealing or making obsolete any provision contained within the Memorandum or Articles of the Company.

Dissolution

- 116 Clause 8 of the Memorandum of Association relating to the winding up and dissolution of the Company shall have effect as if the provisions thereof were repeated in these Articles.

Amendment to the Articles

- 117 In accordance with the provisions of section 378 of the Act these Articles may only be amended by Special Resolution requiring a majority of three quarters of those present and voting in favour at a properly convened general meeting of the Company. No amendment of these Articles shall be valid until it is registered with the Registrar of Companies.

Annual report and annual return

- 108 The Directors shall comply with their obligations under the Charities Act 1993 (or any statutory re-enactment or modification of that provision) with regard to the preparation of an annual report and an annual return and the transmission of such documents to the Charity Commissioners.

Notices

- 109 Any notice to be given to or by any person pursuant to these Articles shall be in writing. The Company may give such notice to a member or Director or other person entitled to receive such notice either personally or by sending it by post in a pre-paid envelope addressed to the person at her or his registered address or by leaving it at that address.
- 110 Proof that an envelope containing a notice was properly addressed, pre-paid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiry of 48 (forty eight) hours after the envelope containing it was posted.
- 111 A member or Director present in person at any meeting of the Company shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called.

Indemnity

- 112 Subject to the provisions of the Act every Director, Secretary or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any losses or liability incurred by her or him in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in her or his favour or in which she or he is acquitted or in connection with any application in which relief is granted to her or him by the court from liability for negligence, breach of duty or breach of trust in relation to the affairs of the Company.

Rules or bye-laws

- 113 Subject to Article 115 the Directors may from time to time make such rules or bye-laws as they may deem necessary or expedient or convenient for the proper management and conduct of the Company, and in particular but without prejudice to the generality of the foregoing, they may by such rules or bye-laws regulate:
- 113.1 the admission and classification of members of the Company and the rights and privileges of such members; and
- 113.2 the conduct of members of the Company in relation to one another, and to the Company's employees and servants; and
- 113.3 the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes; and