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The Companies Act 1985

Company Limited By Shares

MEMORANDUM OF ASSOCIATION

AND

NEW ARTICLES OF ASSOCIATION

(Adopted by Special Resolution Passed 28th February, 1991)

OF

WESSEX WASTE MANAGEMENT LIMITED



McKenna & Co
Mitre House
160 Aldersgate Street
London EC1A 4DD
Doc Ref: D0338.AMR

The Companies Act 1985

Company Limited By Shares

MEMORANDUM OF ASSOCIATION

WESSEX WASTE MANAGEMENT LIMITED

1. The name of the Company is "WESSEX WASTE MANAGEMENT LIMITED"
2. The registered office of the Company will be situated in England.
3. The objects for which the Company is established are:
 - 3.1 "To carry on the business of waste management and all related activities, howsoever called, and any services connected with or ancillary to waste management, including, without prejudice to the generality of the foregoing, waste collection, waste disposal and recycling, creation and operation of landfills, creation and operation of incinerators, clinical waste collection and disposal, consultancy, scientific and all support services relating to waste management, liquid, chemical and toxic waste treatment and disposal, waste to energy activities and trade effluent treatment plants, and in relation thereto to negotiate and handle contracts and agreements of all kinds, to act as representatives and agents of and for any individual, company, firm, association, authority, organisation or other body, to tender for and to place contracts, investments and other rights, to act for and to provide all kinds of services, agencies and consultancies to all or any parties or prospective parties to any contract or other agreement, and to carry on all other businesses at the discretion of the Directors.

* The name of the Company was changed from Intercede 855 Limited by a Special Resolution of the Company at an Extraordinary General Meeting convened and held on 17th January, 1991.

** As amended by a Special Resolution passed on 28th February, 1991.

- 3.2 To buy, sell, export, manufacture and deal in all kinds of goods, stores and equipment whether in connection with any of the above activities or otherwise and to act as agents for all purposes.
- 3.3 To apply for, purchase or otherwise acquire any patents, licences, concessions, privileges and like rights, conferring a non-exclusive or exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, grant licences in respect of, or otherwise turn to account, the rights and information so acquired.
- 3.4 To sell, improve, manage, develop, lease, mortgage, let, charge, dispose of, turn to account, or otherwise deal with all or any part of the undertaking or property or rights of the Company, and to sell the undertaking of the Company, or any part thereof for such consideration as the Company may think fit, and in particular for cash, shares, debentures or debenture stock or other obligations, whether fully paid or otherwise, of any other company.
- 3.5 To carry on the business of commission agents, factors, general merchants and dealers in every description of goods, exporters and importers, concessionaires, wholesale and retail traders, carriers, warehousemen, designers, advertising contractors or agents, or trustees, brokers or agents for any company.
- 3.6 To manufacture, refine, repair, purchase, sell, export, import, deal in or let on hire all kinds of goods, substances and other articles which may be advantageous to the Company or which any of the customers or other companies having dealings with the Company may from time to time require.
- 3.7 To carry on any other activity and do anything of any nature which may seem to the Company capable of being conveniently carried on or done by the Company in connection with the above, or may seem to the Company calculated directly or indirectly to benefit the Company.
- 3.8 To purchase, take on lease or licence or in exchange, apply for, hire, renew or otherwise acquire and hold for any estate or interest, and to sell, let, license or otherwise dispose of, in whole or in part, any lands, buildings, machinery, rights, stock-in-trade, business concerns, choses in action, and any other real and personal property of any kind including all of the assets

of the Company and to perform any services or render any consideration and to construct, equip, alter and maintain any buildings, works and machinery necessary or convenient for the Company's business and in each case for any consideration which may be thought fit.

- 3.9 To enter into partnership or any other arrangement for sharing profits or joint adventure or co-operation with any company carrying on, engaged in or about to carry on or engage in any business or transaction capable of being conducted so as directly or indirectly to benefit the Company, and to subsidise or otherwise assist any such company.
- 3.10 To invest and deal with moneys of the Company not immediately required in or upon such investments (other than shares in the Company) and in such manner as may from time to time seem expedient.
- 3.11 To lend money to such companies with or without security and otherwise on such terms as may seem expedient.
- 3.12 To guarantee, grant indemnities in respect of, support or secure, whether by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company or by both such methods, the performance of the contracts or obligations and the repayment or payment of the principal and premium and interest and dividends on any securities or obligations of any company whether having objects or engaged or intending to engage in business similar to those of the Company or not.
- 3.13 To borrow and raise money and to secure or discharge any debt or obligation of or binding on the Company in such manner as may be thought fit and in particular by mortgages and charges upon the undertaking and all or any of the property and assets (present and future) and the uncalled capital of the Company, or by the creation and issue on such terms as may be thought expedient of securities of any description.
- 3.14 To draw, make, accept, indorse, discount, execute and issue promissory notes, bills of exchange, shipping documents and other negotiable or transferable instruments, and to buy, sell and deal in foreign currencies.

- 3.15 To grant pensions, allowances, gratuities and bonuses to existing or former employees and offices (including Directors) of the Company or of any company in which the Company (directly or through other companies) holds shares or of any predecessor in business of the Company or of its holding company, or to their dependants or relations or connections, and to make payments towards insurance for any such purpose, and to establish or support trusts, funds or schemes (whether contributory or non-contributory) for any such purposes or any other institutions, trusts, funds, schemes, clubs and conveniences calculated to benefit any such persons.
- 3.16 To promote or assist in promoting any company or companies in any part of the world and to subscribe for shares therein or other securities thereof for the purpose of carrying on any business which the Company is authorised to carry on or for any other purpose which may seem directly or indirectly calculated to benefit the Company.
- 3.17 To amalgamate with any other Company in any manner whatsoever (whether with or without a liquidation of the Company).
- 3.18 To procure the Company to be registered or recognised in any country or place in any part of the world.
- 3.19 To compensate for loss of office any Directors or other officers of the Company and to make payments to any persons whose office, employment or duties may be terminated by virtue of any transaction in which the Company is engaged.
- 3.20 To pay out of the funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company or any company promoted by the Company, the issue of the capital of the Company or any such other company, the negotiations between the promoters preliminary to the formation of the Company, the acquisition by the Company of any property or assets and the accomplishment of all or any formalities which the Company may think necessary or proper in connection with any of the matters aforesaid.
- 3.21 To insure with any other company against losses, damages, risks and liabilities of all kinds which may affect the Company.

- 3.22 3.22.1 To purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the Company or of any other company which is its holding company or in which the Company or such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which any employees of the Company or of any such other company or subsidiary undertakings are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company subsidiary undertaking or pension fund; and
- 3.22.2 to such extent as may be permitted by law otherwise to indemnify or to exempt any such person against or from any such liability. For the purposes of this Clause 22 "holding company" and "subsidiary undertaking" shall have the same meanings as in the Companies Act 1989.
- 3.23 To act as directors or managers of, or to appoint directors or managers of, any subsidiary company or any other company in which the Company is or may be interested.
- 3.24 To contribute by donation, subscription, guarantee or otherwise to any public, general, charitable or other useful object whatever.
- 3.25 To distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- 3.26 To all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees, subsidiaries or otherwise.

- 3.27 To do all such other things as are incidental or conducive to the above objects or any of them.

It is hereby declared that the word "company" in this clause shall (except where referring to the Company) be deemed to include any person or partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in Great Britain or elsewhere. The intention is that the objects specified in each paragraph of this clause shall, except where otherwise expressed, be in nowise limited or restricted by reference to or inference from the terms of any other paragraph, from the name of the Company or from the order in which such objects are stated, but may be carried out in as full and ample a manner and shall be construed in as wide a sense as if each of the said paragraphs defined the objects of a separate and independent company.

4. The liability of the members is limited.
5. ***The share capital of the Company is £100, divided into 100 Shares of £1 each.

*** The authorised share capital of the Company was increased from £100 divided into 100 Shares of £1 each to £150,000,002 divided into 75,000,002 'A' ordinary shares of £1 each and 75,000,000 'B' ordinary shares of £1 each by a special resolution passed on 28th February, 1991.

The authorised share capital of the Company was increased from £150,000,002 to £500,000,002 divided into 250,000,002 'A' ordinary shares of £1 each and 250,000,000 'B' ordinary shares of £1 each by an ordinary resolution passed on 16th June, 1994.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

NAMES, ADDRESSES AND NUMBER OF SHARES TAKEN
DESCRIPTION OF SUBSCRIBERS BY EACH SUBSCRIBER

ROBERT JOHN WINDMILL	One
Inveresk House	
1 Aldwych	
London WC2R 0HF	

SOLICITOR

BARBARA KERR	One
Inveresk House	
1 Aldwych	
London WC2 0HF	

CHARTERED SECRETARY

Dated this 6th day of August 1990

Witness to the above Signatures:

JOHN STEIN
Inveresk House
1 Aldwych
London WC2R 0HF

SOLICITOR

The Companies Act 1985

Private Company Limited By Shares

NEW

ARTICLES OF ASSOCIATION

of

WESSEX WASTE MANAGEMENT LIMITED

(Adopted by Special Resolution passed 28th February 1991)

PRELIMINARY

1. In these Articles and in Table A -

"the Act" means the Companies Act 1985 including any statutory modifications or re-enactment thereof for the time being in force.

"Table A" means 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.

2. The Company is a Private Company and accordingly and invitation to the public to subscribe for any shares or debentures is prohibited.
- 3.1 The regulations contained in Table A shall apply to the Company with the exceptions, modifications and additions hereinafter contained. In the event of any ambiguity or inconsistency between such regulations and these Articles, the provisions of these Articles shall prevail.

- 3.2 Any proposed amendment to or variation of these Articles or of the Memorandum of Association of the Company shall be deemed to be a variation of the rights attached to the "A" Shares and the "B" Shares in the capital of the Company.
4. Regulations 2, 8, 17, 24, 39, 40, 41, 50, 64, 65, 73 to 80 inclusive, 89, 94, 97 and 118 of Table A shall not apply to the Company.
5. The Company shall not have power to issue share warrants to bearer.
6. The provisions of Section 89(1) of the Act not apply to the Company.

SHARE CAPITAL

- 7.1 The capital of the Company (at the date of adoption of these Articles) is £150,000,002, divided into 75,000,002 "A" Shares of £1 each and 75,000,000 "B" Shares of £1 each.
- 7.2 "A" Shares of "B" Shares shall constitute different classes of shares for the purposes of the Act but shall save as in these Articles expressly provided confer upon the holders thereof the same rights and rank pari passu in all respects.
8. Unissued shares in the capital of the Company for the time being shall only be allotted as follows:-
- 8.1 every allotment shall be in equal proportions of "A" Shares and "B" Shares;
- 8.2 on the occasion of each allotment the "A" Shares and the "B" Shares shall be allotted at the same price (not being at a discount) and on the same terms as to date for payment;
- 8.3 no shares of either class shall be issued otherwise than to members holding shares of the same class without the prior written consent of all the members;
- 8.4 as between holders of shares of the same class the shares of that class being allotted shall be allotted in proportion to such holders' then existing holdings of shares of that class or in such

other proportions between them as all the members holding shares of the same class shall agree in writing;

- 8.5 the maximum amount of relevant securities (as defined by Section 80(2) of the Act) which the Directors may allot, grant options or subscriptions or conversion rights over or otherwise deal with or dispose of pursuant to this Article 8 shall be the authorised but as yet unissued Share Capital of the Company at the date of adoption of these Articles. The authority conferred on the directors by this Article 8 shall expire on the day preceding the fifth anniversary of the date of adoption of these Articles.
9. Save as provided in Article 8 the Directors shall have no power to issue unissued shares and shall not allot, grant options or subscriptions or conversion rights over or otherwise dispose of the same.
10. The company shall have a first and paramount lien on every share for all monies (whether presently payable or not) called or payable at a fixed time and in respect of that share, and the Company shall also have a first and paramount lien on all shares registered in the name of any person (whether solely or jointly with others) for all monies owing to the Company from him or his estate either alone or jointly with any other person whether as a member or not and whether such monies are presently payable or not. The Directors may at any time declare any share to be wholly or partly exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.

TRANSFER OF SHARES

11. The instrument of transfer of any share shall be executed by or on behalf of the transferor, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof, provided that in the case of a partly-paid share the instrument of transfer must also be executed by or on behalf of the transferee.
12. No transfer of any shares or any interest in any shares shall be made other than:-
- 12.1 transfer approved in writing by all the members;

- 12.2 transfer from the holder of "A" Shares to another holder of "A" Shares and any transfer from the holder of "B" Shares to another holder of "B" Shares;
- 12.3 any transfer by a corporate member to an associated company (that is to say any holding company or wholly-owned subsidiary of such corporate member);

provided that it must be proved to the reasonable satisfaction of the Directors that the transfer bona fide falls within one of these exceptions. The Directors shall register any transfer made pursuant to or permitted by the foregoing provisions of this Article, but shall refuse to register any other transfer.

GENERAL MEETINGS

13. No business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business. Two members present in person or by proxy (or, in the case of a member being a Corporation by representative) shall be a quorum for all purposes, provided that so long as the issued share capital of the Company is divided into "A" and "B" Shares, one such member shall be the holder of an "A" Share and the other of a "B" Share. Where all the holders of any such class have waived in writing the quorum requirement as concerns that class then such waiver shall be effective for the meeting or particular business specified in the waiver or otherwise as specified in the waiver.
- 14.1 If within half an hour from the time appointed for any general meeting a quorum is not present the meeting shall stand adjourned to the same day in the next week (or if that day be a holiday to the next working day thereafter) and at the same time and place or to such other date time and place (not being more than 30 days nor less than 10 days after the date appointed for the adjourned meeting unless so agreed by the holders of not less than nine tenths in nominal value of the shares entitled to vote at the meeting) as the Directors may determine and if at the adjourned meeting a quorum of one "A" Shareholder and one "B" Shareholder is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.
- 14.2 Where a meeting is adjourned under paragraph (1) of this Article for 10 days or more not less than 7 days notice of the adjourned meeting shall be given as in the case of an original meeting.

- 15.1 No "A" Shares shall confer any right to vote either on a show of hands or on a poll upon a Resolution for the appointment or removal from office of a "B" Director (as defined in Article 17);
- 15.2 No "B" Share shall confer any right to vote either on a show of hands or on a poll upon a Resolution for the appointment or removal from office of an "A" Director (as defined in Article 17);
- 15.3 If at any meeting any holder of any "A" Shares is not present in person or by proxy the votes exercisable on a poll in respect of the "A" Shares held by members present in person or by proxy shall be pro tanto increased so that such "A" Shares shall together entitle such members to the same aggregate number of votes as could be cast in respect of all the "A" Shares if all the holders thereof were present; and
- 15.4 If at any meeting any holder of any "B" Shares is not present in person or by proxy the votes exercisable on a poll in respect of the "B" Shares held by members present in person or by proxy shall be pro tanto increased so that such "B" Shares shall together entitle such members to the same aggregate number of votes as could be cast in respect of all the "B" Shares if all the holders thereof were present.

DIRECTORS

16. The Directors shall be 8 in number or such other equal number as the Company may from time to time by Special Resolution determine.
- 17.1 The holders of a majority of the "A" Shares may from time to time appoint any person to be a Director but so that not more than one half of the Directors shall at any one time hold office by virtue of an appointment by holders of "A" Shares under this Article. Each person holding office pursuant to this Article is herein called an "A" Director.
- 17.2 Each "A" Director shall hold office subject to Article 22 hereof and may at any time be removed from office by the holders of a majority of the "A" Shares.

- 17.3 The holders of a majority of the "B" Shares may from time to time appoint any person to be a Director but so that not more than one half of the Directors shall at any one time hold office by virtue of an appointment by the holders of "B" Shares under this Article. Each person holding office pursuant to this Article is herein called a "B" Director.
- 17.4 Each "B" Director shall hold office subject to Article 22 hereof and may at any time be removed from office by the holders of a majority of the "B" Shares.
- 17.5 The Managing Director may be removed from office by the holders of a majority in number of the "A" Directors after consultation with the "B" Directors.
- 17.6 Any such appointment or removal shall be made in writing under the hands of the holders for the time being of the shares in whom the power of appointment or removal is vested, or their duly authorised agents (or, in the case of the removal of the Managing Director, in writing under the hands of a majority in number of the "A" Directors) and shall take effect on and from the date on which notice in writing thereof is lodged at the registered office for the time being of the Company or delivered to the Secretary or to a meeting of the Directors.
18. Regulation 82 of Table A shall be amended by the addition of the following:-
- "Any director who serves on any committee, or who otherwise performs special services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director may receive such extra remuneration by way of salary, commission or otherwise as the Directors may determine."
19. A Director (including an alternate director) shall not require any shareholding qualification, but shall nevertheless be entitled to notice of and shall be entitled to attend and speak at any General Meeting.

POWERS AND DIRECTORS

20. Subject to the provisions of the Act a Director (including an alternate Director) may contract with and participate in the profits of any contract or arrangement with the Company as if he were not a Director. A Director shall also be capable of voting in respect of such contract or

arrangement, where he has previously disclosed his interest to the Company, or in respect of his appointment to any office or place of profit under the Company and the terms thereof and may be counted in the quorum at any meeting at which any such matter is considered.

ALTERNATE DIRECTORS

21. Any director (other than an alternate director) may appoint any person to be an alternate director and may remove from office an alternate director so appointed by him. When an alternate director is also a director or acts as an alternate director for more than one director, such alternate director shall have one vote for every director so represented by him (in addition to his own vote if he is himself a director) and when so acting shall be considered as two directors for the purpose of making a quorum if the quorum exceeds two.

DISQUALIFICATION OF DIRECTORS

22. Regulation 81 of Table A shall be amended by substituting for paragraphs (c) and (e) thereof the following provisions:-

- "(c) he becomes, in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as a director; or"
- "(e) he is otherwise duly removed from office."

No Director shall vacate his office or be ineligible for re-election, nor shall any person be ineligible for appointment as a Director, by reason only of his attaining or having attained any particular age.

PROCEEDINGS OF DIRECTORS

23. The quorum necessary for the transaction of business at any meeting of the Directors or of any committee shall comprise one "A" Director and one "B" Director. If within half an hour of the time fixed for the meeting a quorum is not present the meeting shall be adjourned to a specified time and place which shall not be earlier than three nor later than seven days after the date

originally fixed for the meeting. The quorum at such adjourned meeting shall be any two Directors Regulation 89 of Table A shall be amended accordingly.

24. Questions arising at any meeting of the Directors or of any committee shall be decided by a majority of votes of the Directors present and the Chairman shall have no second or casting vote and Regulation 88 of Table A shall be modified accordingly, Provided that:
- 24.1 If at any meeting of the Directors or of any committee any "A" Director is not present in person or represented by an alternate Director the votes of the "A" Director or "A" Directors present in person or represented by an alternate Director shall be pro tanto increased so that such "A" Director or "A" Directors shall be entitled to cast the same aggregate number of votes as could be cast by the "A" Directors if they were all present;
- 24.2 If at any meeting of the Directors or of any committee any "B" Director is not present in person or represented by an alternate Director the votes of the "B" Director or "B" Directors present in person or represented by an alternate Director shall be pro tanto increased so that such "B" Director or "B" Directors shall be entitled to cast the same aggregate number of votes as could be cast by the "B" Directors if they were all present;
- 24.3 In the event of an equality of votes at a meeting of the Directors the "A" Directors present at such meeting shall appoint from their number one of the "A" Directors who shall be entitled to a second or casting vote and if only one "A" Director is present at the meeting that "A" Director shall be entitled to a second or casting vote.
25. The words "of filling vacancies, or" shall be omitted from Regulation 90 of Table A.
26. Regulation 88 of Table A shall be amended by substituting for the sentence:-

"It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom."

the following sentence:

"Notice of every meeting of directors shall be given to each director or his alternate director, including directors and alternate directors who may for the time being be absent from the United Kingdom and have given the Company their address outside the United Kingdom. Directors who are for the time being absent from the United Kingdom shall be entitled to receive 2 day's notice of every meeting."

27. Any Director or member of a committee of Directors may participate in a meeting of the Directors or such committee by means of conference telephone or any other communications equipment whereby all persons participating in the meeting can hear each other. Participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and any person so participating shall be entitled to vote and be counted in a quorum accordingly.
28. References in Regulation 93 of Table A to a "resolution in writing signed by all the directors" shall include a resolution in writing signed or approved by telegram, telefax or telex by all the Directors.

CAPITALISATION OF PROFITS

29. On any occasion when shares are allotted and distributed credited as fully paid pursuant to the provisions of regulation 110 of Table A the shares allotted to holders of "A" Shares shall forthwith on allotment automatically stand converted into "A" Shares and the shares allotted to holders of "B" Shares shall forthwith on allotment automatically stand converted into "B" Shares.

NOTICES

30. Any notice required by these Articles to be given by the Company may be given by any visible form on paper, including telex, facsimile and electronic mail and a notice communicated by such forms of immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed. Regulations 111 and 112 of Table A shall be amended accordingly.

INSURANCE

31. The Directors may exercise any power conferred by statute to purchase and maintain insurance for any officer of the Company or any auditor of the Company against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

INDEMNITY

32. Without prejudice to any other indemnity to which he may be entitled, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the exercise, execution and/or discharge of the powers and duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 727 of the Act in which relief is granted to him by the court, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect insofar as its provisions are not avoided by Section 310 of the Act.