

Number of Company: 2692495

**The Companies Act 1985**

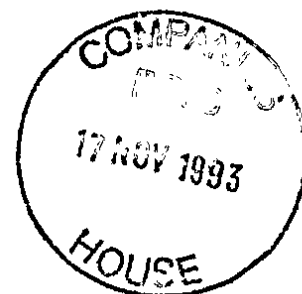
**COMPANY LIMITED BY SHARES**

**SPECIAL RESOLUTIONS**

of

**BDR WASTE DISPOSAL LIMITED**

\_\_\_\_\_  
Passed on 23rd August 1993  
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AT an EXTRAORDINARY GENERAL MEETING of the above named Company duly convened and held at Elliott House, Frederick Street, Rotherham on 23rd August 1993 the following Resolutions were duly passed as SPECIAL RESOLUTIONS:-

**SPECIAL RESOLUTIONS**

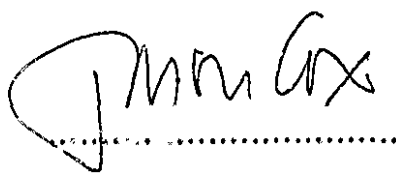
- (1) THAT the authorised share capital of the Company be and it is hereby increased from £1,000 to £400,008 by the creation of 37,500 deferred shares of £1 each 10,000 voting non-equity shares of 1 penny each and 361,408 non-voting equity shares of £1 each having attached thereto the respective rights and privileges set out in the Articles of Association adopted by Resolution (3) below.
- (2) THAT, with effect from 11.58 pm on 23rd August 1993 (being immediately prior to the time at which the transfer scheme made in favour of the Company by Rotherham

Borough Council, Barnsley Metropolitan Borough Council and Doncaster Borough Council comes into force) each of the 1,000 shares of £1 each in the Company (both issued and unissued) be and it is hereby converted into a non-voting equity share of £1 having attached thereto the rights and privileges set out in the Articles of Association adopted by Resolution (3) below.

- (3) THAT the regulations contained in the printed document produced to the meeting and signed by the chairman for the purposes of identification be and they are hereby adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association.
- (4) THAT the following be and it is hereby substituted as Sub-clause (a) in Clause 3 of the Memorandum of Association of the Company:

"(a)(i) to carry on as principal, agent, or in any other capacity whatsoever all or any of the following businesses or undertakings: waste disposal contractor (within the meaning of the Environmental Protection Act 1990); operator of landfill sites, civic amenity sites, transfer stations, incinerators, recycling and reclamation plants; importers, exporters and shippers of and specialists in and for the collection, disposal, transfer, storage, transportation, incineration, pulverisation, composting, reclamation, recycling and other treatment of, and energy recovery from commercial, industrial, household (collected and bulky), glass, metal, oil, paper, plastic, textile, inert, special (as defined in the Control of Pollution (Special Waste) Regulations 1990), liquid, clinical, toxic and other dry and wet waste, effluence, sludge and similar matter and material; and in connection with such businesses and undertakings to construct, operate and control waste management facilities of every kind and description, to maintain and repair the same and to reinstate and provide after care and monitoring of land used at any time for the disposal or treatment of waste.

- (ii) to carry out exploration for and the excavation, extraction and exploitation of mines and minerals (whether in their natural state or in solution or suspension) or products of minerals, and so much of the adjoining strata as may be necessary, including asphalt, brine, china clay, fire clay, freestone, gravel, gypsum, ironstone, limestone, marble, salt, sand, shale and stone, whether by underground or surface working; to put down boreholes, dig trial pits, take samples and generally carry out such geological, geo-physical, hydrological, and hydro-geological tests as maybe necessary to establish the type, quality and quantity of minerals and to make spoil banks, construct roadways, railways and material conveyors, erect plant machinery and buildings, make such drainage works and conduits for the conveyance and drainage of water and to undertake all other necessary acts for the proper and efficient working of mines and minerals."

  
CHAIRMAN



storage, transportation, incineration, pulverisation, composting, reclamation, recycling and other treatment of, and energy recovery from commercial, industrial, household (collected and bulky), glass, metal, oil, paper, plastic, textile, inert, special (as defined in the Control of Pollution (Special Waste) Regulations 1990), liquid, clinical, toxic and other dry and wet waste, effluence, sludge and similar matter and material; and in connection with such businesses and undertakings to construct, operate and control waste management facilities of every kind and description, to maintain and repair the same and to reinstate and provide after care and monitoring of land used at any time for the disposal or treatment of waste.

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(b) To carry on any other trade or business of any description which may seem to the Company capable of being advantageously carried on in connection with or ancillary to or which is calculated directly or indirectly to benefit or 30

enhance the value or render more profitable any of the property, rights or businesses of the Company.

- (c) To purchase or by any other means acquire any freehold, leasehold or other property for any estate or interest whatever and any rights or privileges of any kind over or in respect of any property and any real or personal property or rights whatsoever which may be necessary for, or may be conveniently used with, or may enhance the value of any other property of the Company. 5
- (d) To purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, copyrights, secret processes, trade marks, designs, protections and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire. 10 15
- (e) To acquire or undertake the whole or any part of the business, goodwill, and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for limiting competition, or for mutual assistance with any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received. 20 25 30

- (f) To improve, manage, cultivate, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company. 5
- (g) To invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined.
- (h) To lend or advance money or give credit to any persons, firms or companies upon such terms and with or without security and subject to such conditions as may seem desirable and in particular to customers and others having dealings with the Company and to give guarantees or become security for any such persons firms or companies. 10
- (i) To borrow and raise money in any manner, as the Company shall think fit, and in particular by the issue of debentures or debenture stock and to secure the repayment of any money borrowed, raised or owing by mortgage charge standard security lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital. 15 20
- (j) To draw, make, accept, endorse, discount, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable instruments. 25
- (k) To enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) or any corporations, companies or persons, that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority, corporation, 30

company or person, any charters, contracts, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise and comply with any such charters, contracts, decrees, rights, privileges and concessions.

(l) To subscribe for, take, purchase, or otherwise acquire and hold shares, stock or other interests in or obligations of any other company or corporation.

(m) To promote any other company for the purpose of acquiring all or any of the property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.

(n) To sell, let, licence, develop or otherwise deal with the whole or any part of the undertaking of the Company, either together or in portions upon such terms, as the Company may think fit, with power to accept shares, debentures, or securities of any company purchasing the same.

(o) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts, and also to act in any of the businesses of the Company through or by means of agents, brokers, sub-contractors or others.

(p) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment subject to the provisions of the Companies Act 1985 (or any statutory modification or re-enactment



thereof) to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise.

- (q) To pay out of the funds of the Company all costs and expenses of or incidental to the promotion formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling or guaranteeing the subscription of any shares or other securities of the Company. 5
- (r) To purchase and maintain insurance policies to indemnify the officers and auditor of the Company against any costs, expenses and liabilities arising from negligence, default, breach of duty or trust incurred by them in discharge of their duties or in relation thereto. 10
- (s) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its Directors or employees; to remunerate the Directors of the Company in any manner the Company may think fit and to pay or provide pensions for or make payments to or for the benefit of any persons who are or were at any time in the employment or service of the Company or of any company for the time being the Company's holding company or subsidiary company as defined by Section 736 of the Companies Act 1985 or otherwise associated with the Company in business and the wives, widows, families and dependents of any such persons; to make payments towards insurance; to set up, establish support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons as aforesaid and of their wives, widows, families and dependents, and to set up, establish, support and maintain profit sharing, share option or share purchase schemes for the benefit of any of the employees of the Company or 20 25 30

of any such subsidiary or holding company and to lend money to any such employees or to trustees on their behalf to enable any such schemes to be established or maintained.

(t) To distribute any property of the Company in specie among the members. 5

(u) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

And it is hereby declared that: 10

(i) None of the objects set forth in any sub-clause of this clause shall be restrictively construed but the widest interpretation shall be given to each such object, and the foregoing sub-clauses shall be construed independently of each other, except where the context expressly so requires and none of the objects therein mentioned shall be deemed to be merely subsidiary or ancillary to the objects contained in any other sub-clause; and 15

(ii) The Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this clause as though each such sub-clause contained the objects of a separate company; and 20

(iii) The word "Company" in this clause shall, except where used in reference to this Company, be deemed to include any partnership or other body of persons whether corporate or unincorporate and whether domiciled in any part of the United Kingdom or elsewhere. 25

4. The liability of the members is limited. 30



We, the subscribers to this Memorandum of Association wish to be formed into a Company pursuant to this Memorandum; and we agree to take the number of shares shown opposite our respective names.

Names and addresses of subscribers and number of shares taken by each subscriber	
York Place Company Nominees Limited 12 York Place Leeds LS1 2DS	One
York Place Company Secretaries Limited 12 York Place Leeds LS1 2DS	One

Dated 11 February 1992

Witness to the above signatures

Jonathon Round  
12 York Place  
Leeds  
LS1 2DS

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BDR WASTE DISPOSAL LIMITED



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NEW  
ARTICLES OF ASSOCIATION

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John Gx.

The Companies Acts 1985 and 1989

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C O M P A N Y   L I M I T E D   B Y   S H A R E S

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NEW  
ARTICLES OF ASSOCIATION

of

BDR WASTE DISPOSAL LIMITED

(Adopted by Special Resolution passed 23rd August 1993)

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PRELIMINARY

1. (A) The Regulations contained or incorporated in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended) shall not apply to the Company.

- (B) In these Articles unless the context otherwise requires:

"the Act" means the Companies Acts 1985 and 1989 including any statutory modification or re-enactment thereof for the time being in force;

"A Director" means any director for the time being appointed and holding office pursuant to Article 74(A);

"A Shares" means the "A" Shares of 1 penny each in the capital of the Company from time to time;

"associated person" means a person associated with a local authority within the meaning of Section 69 of the Local Government and Housing Act 1989 or any statutory modification amendment or re-enactment thereof for the time being in force;



for or receive an allotment of shares or the transfer of any interest in any share;

"the United Kingdom" means the United Kingdom of Great Britain and Northern Ireland.

- (C) Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force at the date of adoption of these Articles.

#### SHARE CAPITAL

2. (A) The share capital of the Company at the date of adoption of these Articles is £1,849,640 divided into 1998 "A" Shares 8002 "B" Shares 37,500 Deferred Shares and 1,812,040 "C" Shares.

- (B) The respective rights privileges and restrictions attaching to the "A" Shares, the "B" Shares, the "C" Shares and the Deferred Shares shall be as follows:

(1) As regards income:

- (a) The "A" Shares, the "B" Shares and the Deferred Shares shall not confer any right to receive a dividend or any other distribution of the profits of the Company.
- (b) All profits which the Company may determine to distribute in respect of any financial year shall be distributed amongst the holders of the "C" Shares.

(2) As regards capital:

On a return of capital on liquidation or otherwise, the assets of the Company available for distribution amongst the members shall be applied as follows:

- (a) first, in paying to the holders of the "A" Shares and the "B" Shares (pari passu as if the same constituted a single class of shares), in priority to any payment to the holders of any other class of shares in the capital of the Company, the nominal amounts paid up or credited as paid up on the "A" Shares and the "B" Shares held by them;
- (b) secondly, in paying to the holders of the "C" Shares the sum of £10 million per share;
- (c) thirdly, in paying to the holders of the Deferred Shares, the nominal amount paid up



or credited as paid up on the Deferred Shares held by them; and

- (d) the balance (if any) of such assets shall belong to and be distributed amongst the holders of the "C" Shares in proportion to the nominal amounts paid up or credited as paid up thereon.

(3) As regards voting:

- (a) The holders of the "A" Shares and the "B" Shares have the voting rights provided for in Article 55;
- (b) The "C" Shares and the Deferred Shares do not confer any voting rights in any circumstances;

(4) As regards appointment of Directors:

The holders of the "A" Shares and the "B" Shares have the rights to appoint directors contained in Article 74.

- (C) Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.
  - (D) No share shall be issued to any infant, bankrupt or person suffering from mental disorder.
3. Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as the Company may by ordinary resolution determine.
4. The Company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.

#### MEMBERSHIP

5. (A) No individual who is disqualified from membership of a local authority (otherwise than by being employed by that or any other local authority or by a company which is under the control of a local authority) may become or remain a member.
- (B) Except as required by law, no person shall be recognised by the Company as holding any share upon

any trust and (except as otherwise provided by those Articles or by law) the Company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.

#### CLASS RIGHTS AND SPECIAL CONSENTS

6. (A) Whenever the capital of the Company is divided into different classes of shares (save when otherwise dictated by statute) the special rights attached to any class may 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 per cent in nominal value of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of that class but not otherwise. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, mutatis mutandis, apply, except that the necessary quorum shall be two persons at least holding or representing by proxy not less than one third in nominal amount of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present that member who is present shall be a quorum) and that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.
- (B) The following matters shall (in addition to any other authority, sanction or consent required by the Act or these Articles) each require the sanction of an ordinary resolution passed at an extraordinary general meeting of the Company:-
- (a) the issue allotment redemption purchase or grant of an option over any shares or other securities of the Company or the reorganisation of the share capital of the Company in any other way;
  - (b) the exercise by the Company of any of the powers contained in Articles 3, 33, 34, 35, 36 or 111;
  - (c) the change of the name of the Company or the passing of any resolution whereby the classification or status of the Company may be changed;
  - (d) the alteration of any provision of the Memorandum of Association of the Company or of these Articles;
  - (e) the passing of any resolution for the winding up of the Company;

- (f) the making or acquisition by the Company of any investment in any company or any business;
  - (g) a change in the nature or scope of the business of the Company from that of an operator of the waste disposal facilities and assets transferred to it pursuant to the Transfer Scheme or to be managed under the Initial CA Site Contracts on the terms and conditions of existing licences;
  - (h) the expansion of the activities of the Company to encompass seeking or obtaining waste disposal contracts or waste management contracts in respect of waste arising outside Barnsley, Doncaster or Rotherham or otherwise accepting such waste for disposal in its landfill sites situated within Barnsley, Doncaster or Rotherham;
  - (i) the entering into by the Company of any partnership or joint venture with any other person;
  - (j) the use by the Company of the name of Barnsley Metropolitan Borough Council, Doncaster Borough Council or Rotherham Borough Council in any of its publicity material or otherwise in connection with its trade or business;
  - (k) the repayment by the Company of any loans owed to YW Enterprises Limited or any associated company of YW Enterprises Limited before the due date for payment thereof;
  - (l) the making by the Company of any claim, disclaimer or election for tax purposes otherwise than for full consideration;
  - (m) the entering into by the Company of any contract let pursuant to Part II of Schedule 2 to the Environmental Protection Act 1990;
  - (n) the incurring by the Company any expenditure or a liability of a capital nature of over £250,000 in respect of any single item or over £250,000 in aggregate in respect of connected items;
  - (o) the disposition of a material part of the Company's business, property or assets.
- (C) If, at any general meeting of the Company a resolution is proposed in relation to any of the matters referred to in Article 6(B), the holders of the "A" Shares shall on a poll in relation to that resolution have the right to cast such number of votes as is equal to 50% of the total number of votes cast in the poll.

(D) In this Article 6:-

- (a) "the Company" shall be deemed to include each subsidiary of the Company to the intent and effect that the provisions of Article 6(B) shall apply in relation to an act, transaction, action, omission or event affecting such a subsidiary as they apply to an act, transaction, action, omission or event affecting the Company (save only for those provisions which expressly or by implication relate only to the Company);
- (b) "the Transfer Scheme" means the transfer scheme made by Barnsley Metropolitan Borough Council, Doncaster Borough Council and Rotherham Borough Council in discharge of their duties and in exercise of their powers under Section 32 of and Schedule 2 to the Environmental Protection Act 1990 and approved (whether with or without amendment) by the Secretary of State for the Environment;
- (c) "the Initial CA Site Contracts" means, in respect of civic amenity sites within Barnsley, Doncaster or Rotherham, the first contracts for the management of such sites to be let by Barnsley Metropolitan Borough Council, Doncaster Borough Council or Rotherham Borough Council (as the case may be) pursuant to and in accordance with Part II of Schedule 2 to the Environmental Protection Act 1990;
- (d) "Barnsley", "Doncaster" and "Rotherham" mean the metropolitan boroughs of (respectively) Barnsley, Doncaster and Rotherham; and
- (e) an "associated company of YW Enterprises Limited" means any subsidiary or holding company of YW Enterprises Limited and any subsidiary of such a holding company.

SHARE CERTIFICATES

- 7. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be sealed with the seal and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by

several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

8. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

#### LIEN

9. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien on a share shall extend to any amount payable in respect of it.
10. The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.
11. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
12. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

#### CALLS ON SHARES AND FORFEITURE

13. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company, as required by

- the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
14. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
  15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
  16. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.
  17. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call.
  18. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
  19. If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and all reasonable expenses which may have been incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
  20. If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

21. Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
22. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
23. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

#### TRANSFER OF SHARES

24. The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.
25. (A) Without prejudice to Articles 25(B) and (D) the directors may refuse to register the transfer of a share on which the Company has a lien. They may also refuse to register a transfer unless:
- (1) it is lodged at the office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it

relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;

- (2) it is in respect of only one class of shares; and
  - (3) it is in favour of not more than four transferees.
- (B) (1) No transfer of any share shall be made and accordingly the directors shall refuse to register any transfer of any share made otherwise than in accordance with the provisions of Article 25(C).
- (2) Subject to the provisions of Article 25(A) and (D) the directors shall be obliged to register any transfer of any share which is made in accordance with Article 25(C).
- (C) A member may at any time transfer all or any of his shares to any person either
- (1) with the prior written consent of all the members or
  - (2) pursuant to and in accordance with the provisions of any Relevant Agreement.
- (D) No share shall be transferred to an infant, bankrupt or person suffering from mental disorder.
26. If the directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
27. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.
28. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.
29. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.



## TRANSMISSION OF SHARES

30. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his interest; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.
31. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.
32. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company.

## ALTERATION OF SHARE CAPITAL

33. The Company may by ordinary resolution:
  - (a) increase its share capital by new shares of such amount as the resolution prescribes;
  - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (c) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and
  - (d) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

34. Whenever as a result of a consolidation of shares any members would be entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including the Company subject to the provisions of the Act) and distribute the net proceeds of sale in due proportion among those members and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
35. Subject to the provisions of the Act, the Company may by special resolution reduce its share capital redemption reserve and any share premium account in any way.

#### PURCHASE OF OWN SHARES

36. Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

#### GENERAL MEETINGS

37. All general meetings other than annual general meetings shall be called extraordinary general meetings.
38. The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the Company may call a general meeting.
39. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed:
- (a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
  - (b) 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

ninety-five per cent. in nominal value of the shares giving the right.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

Subject to the provisions of these Articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.

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

#### PROCEEDINGS AT GENERAL MEETINGS

41. (A) No business shall be transacted at any general meeting unless a quorum is present. Save as in these Articles otherwise provided two members present in person or by proxy or by duly authorised representative and entitled to vote shall be a quorum of which one shall be or represent a holder of any of the "A" Shares and the other shall be or represent a holder of any of the "B" Shares.
- (B) No person who is disqualified from membership of a local authority (otherwise than by being employed by that or any other local authority or by a company which is under the control of a local authority) may be authorised in accordance with Section 375 of the Act to act as that local authority's representative at a general meeting of the Company (or at meetings of the Company which include a general meeting).
42. If a quorum is not present at any general meeting convened in accordance with these Articles then that meeting shall be adjourned to the same place at the same time on the fourteenth day thereafter at which adjourned meeting the quorum shall be the members present in person or by proxy or by duly authorised representative (whether or not such members shall represent holders of "A" Shares and/or "B" Shares). If at the adjourned meeting a quorum is not present within half an hour from the time appointed therefor or if during the meeting a quorum ceases to be present such adjourned meeting shall be dissolved.
43. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) shall be present within fifteen minutes after the time appointed for

holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.

44. If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
45. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares the holders of which appointed him as a director.
46. The chairman may, with the consent of a 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, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least 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.
47. A resolution put to the vote of a meeting shall be decided on a show of hands 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:
  - (a) by the chairman: or
  - (b) by one or more members having the right to vote at the meeting

and a demand by a person as proxy for a member shall be the same as a demand by the member.

48. Unless a poll is duly demanded a declaration by the chairman 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 of or against the resolution.
49. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated

the result of a show of hands declared before the demand was made.

50. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
51. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not be entitled to a casting vote in addition to any other vote he may have.
52. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
53. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
54. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members. Any such resolution may in the case of a corporation be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative.

#### VOTES OF MEMBERS

55. On a show of hands every member holding "A" Shares or "B" Shares who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every such member shall have one vote for every such share of which he is the holder provided that:
  - (A) the 'A' Shares shall not confer upon the holders thereof any right to vote upon a resolution for the removal of a "B" Director; and

- (B) the "B" Shares shall not confer upon the holders thereof any right to vote upon a resolution for the removal of an "A" Director.

The holders of "C" Shares shall not be entitled to attend or vote at any general meeting.

56. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.
57. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
58. No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.
59. 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 chairman whose decision shall be final and conclusive.
60. On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion.
61. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor (in the case of a corporation by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative) and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

"BDR Waste Disposal Limited

I/We, \_\_\_\_\_, of \_\_\_\_\_, being a member/members of the above named company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_, or failing him, \_\_\_\_\_ of \_\_\_\_\_, as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the company to be held on \_\_\_\_\_ 19 \_\_\_\_\_, and at any adjournment thereof.

Signed on \_\_\_\_\_ 19 \_\_\_\_\_."

62. Where it is desired to afford members an opportunity of instructing the proxy how he shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

"BDR Waste Disposal Limited

I/We, \_\_\_\_\_, of \_\_\_\_\_, being a member/members of the above named company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_, or failing him, \_\_\_\_\_ of \_\_\_\_\_, as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the company, to be held on \_\_\_\_\_ 19 \_\_\_\_\_ and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No. 1 \*for \*against  
Resolution No. 2 \*for \*against.

\*Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_."

63. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:

(a) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the

meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

- (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

64. A vote given or poll demanded by a proxy or by a director, the secretary, duly appointed attorney or duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

#### NUMBER OF DIRECTORS

65. The maximum number of directors (other than alternate directors) shall be seven of whom one shall be the Managing Director not more than three shall hold office as "A" Directors and not more than three shall hold office as "B" Directors. Such directors shall be appointed in accordance with Articles 74 and 75.

#### ALTERNATE DIRECTORS

66. (A) Subject to the provisions of Articles 76 and 77, the holders of all the "A" Shares in issue from time to time may appoint any director, or any other person willing to act, to be an alternate director for an "A" Director and may remove from office an alternate director so appointed by them.
- (B) Subject to the provisions of Articles 76 and 77, any "B" Director (other than an alternate director) may appoint any other director, or any other person willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.



67. An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which the director for whom he is alternate director is a member, to attend and vote at any such meeting at which the director for whom he is alternate director is not personally present, and generally to perform all the functions of the director for whom he is alternate director as a director in his absence but shall not be entitled to receive any remuneration from the company for his services as an alternate director Provided however that an alternate director shall be repaid by the Company such expenses as might properly be repaid to him if he had been a director.
68. The appointment of an alternate director shall automatically terminate on the happening of any event which, if he were a director, would cause him to vacate the office of director or if the director for whom he is alternate director shall cease for any reason to be a director.
69. Any appointment or removal of an alternate director shall be by notice to the Company signed (in the case of an "A" Director) by the holders of all the "A" Shares in issue from time to time or (in the case of a "B" Director) by the director making or revoking the appointment or in any other manner approved by the directors. If the appointment is made by notice, it shall take effect when the notice is delivered to the office or to the secretary or is provided at a meeting of the directors.
70. Save as otherwise provided in these Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director for whom he is alternate director or (if different) his appointor(s).

#### POWERS OF DIRECTORS

71. Subject to the provisions of the Act, the Memorandum, these Articles and any Relevant Agreements, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the Memorandum or these Articles or any Relevant Agreement shall invalidate any prior act of the directors which would have been valid if that alteration had not been made. The powers given by this Article shall not be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
72. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine,

including authority for the agent to delegate all or any of his powers.

#### DELEGATION OF DIRECTORS' POWERS

73. The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to the Managing Director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of directors so far as they are capable of applying.

#### APPOINTMENT AND REMOVAL OF DIRECTORS

74. (A) Subject to the provisions of Articles 76 and 77, the holders of all the "A" Shares in issue from time to time shall be entitled at any time and from time to time to appoint as "A" Directors such persons as are willing to hold office as such either to fill a vacancy or vacancies or (subject to Article 65) as an additional "A" Director or Directors and at any time and from time to time to remove from office as an "A" Director any person so appointed or who is otherwise an "A" Director.
- (B) Subject to the provisions of Articles 76 and 77, the holders of a majority of the "B" Shares in issue from time to time shall be entitled at any time and from time to time to appoint as "B" Directors such persons as are willing to hold office as such either to fill a vacancy or vacancies or (subject to Article 65) as an additional "B" Director or Directors and at any time and from time to time to remove from office as a "B" Director any person so appointed or who is otherwise a "B" Director.
75. Subject to the provisions of Articles 76 and 77 and the Relevant Agreements the directors may at any time and from time to time appoint as Managing Director such person as is willing to hold such office and at any time and from time to time remove from office as Managing Director any person so appointed.
76. (A) No person shall be appointed as a director unless immediately thereafter the number of directors who are associated persons is less than the prescribed percentage of the total number of directors.
- (B) No person who is disqualified from membership of a local authority (otherwise than by being employed by

that or any other local authority or by a company which is under the control of a local authority) may become a director.

(C) No associated person shall be appointed as a "B" Director.

77. No member or candidate for membership of a local authority shall hold or be appointed to any salaried office of or employment by the Company paid by fees and so that no salary, remuneration or any other benefit in money or money's worth shall be paid or payable by the company to any such member or candidate save and except that he shall be entitled as follows namely:

- (a) to reimbursement of expenses incurred by him as a director to the extent to which reimbursement is authorised by these Articles;
- (b) to any indemnity which may be payable to him in accordance with any of these Articles;
- (c) to any security or indemnity to which he may be entitled by virtue of any arrangement made with him as a director in respect of any obligations undertaken by him as a director for the benefit of the Company.

78. Any appointment or removal of any "A" Director shall be effected by notice to the Company given by the holders of all the "A" Shares in issue from time to time. Any appointment or removal of any "B" Director shall be effected by notice to the Company given by the holders of a majority of "B" Shares in issue from time to time. Any such appointment or removal shall, subject to Article 79, take effect when the notice effecting the same is delivered to the office or to the secretary or is provided at a meeting of the directors.

79. Any removal of a director pursuant to these Articles shall be without prejudice to any claim which a director so removed may have under any contract between him and the Company (subject to the provisions of Section 319 of the Act).

80. No director shall be appointed otherwise than as provided in these Articles.

81. The office of a director shall be vacated if:

- (A) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
- (B) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

(C) he is, or may be, suffering from mental disorder and either:

(1) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or

(2) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or

(D) he resigns his office by notice to the Company;

(E) he is removed pursuant to Article 74 or 75.

82. Additionally, a director who is not an associated person at the time of his appointment as a director shall vacate office and be deemed to have done so on the day preceding the day on which he becomes an associated person.

83. Additionally a director who is an associated person shall vacate office forthwith if the number of directors who are associated persons for any reason whatsoever exceeds the prescribed percentage of the total number of directors. In such event the smallest number of directors who are associated persons shall vacate office as shall result in the number of directors who are associated persons ceasing to exceed the prescribed percentage of the total number of directors and the director or directors to vacate office shall be (unless all the associated persons otherwise agree among themselves before such event) the director or directors who shall have been longest a director or directors since their last appointment as such and as between associated persons who became directors on the same day the associated person to retire shall be (unless the relevant associated persons otherwise agree among themselves before such event) the associated person whose last name begins with the letter nearest A and if there are two or more such associated persons the older or oldest person shall retire.

#### REMUNERATION OF DIRECTORS

84. (A) The directors shall be entitled to such remuneration (if any) by way of fees as is provided for in any Relevant Agreement or as the directors may by resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

- (B) Any director who, by request of the directors, performs special services for any purpose of the Company which in the opinion of the directors is outside the normal scope of such director's duties shall receive such extra remuneration by way of salary, percentage of profits or otherwise as the directors may determine.

#### DIRECTORS' EXPENSES

85. Subject to the provisions of Article 77, the directors (including alternate directors) may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

#### DIRECTORS' APPOINTMENTS AND INTERESTS

86. 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 is otherwise 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 otherwise interested; and
  - (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office 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.
87. For the purposes of Article 86:
- (a) a general notice given 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 PROVIDED THAT any disclosure by a director of an interest in any transaction or arrangement involving a supplier or customer of the Company or a

business (of whatever nature) in competition, direct or otherwise, with the business carried on by the Company shall be made in writing to the directors; and

- (b) 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.

#### DIRECTORS' BENEFITS

- 88. (A) The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.
- (B) The Directors shall have power to purchase and/or 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 or any of the predecessors of the Company or of such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company and/or with any subsidiary undertaking of the Company and/or with any such other company, or who are or were at any time trustees of any retirement benefits scheme or employee benefit trust or employees' share scheme in which any employees of the Company or of any such other subsidiary undertaking or other company 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 subsidiary undertaking or other company, retirement benefits scheme or employee benefit trust.

#### PROCEEDINGS OF DIRECTORS

- 89. (A) Subject to the provisions of these Articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request

of a director shall, call a meeting of the directors which shall take place at a location convenient to the "A" Directors within the Metropolitan Boroughs of Barnsley, Doncaster or Rotherham (unless the "A" Directors have previously consented in writing to such meeting being held elsewhere). It shall be necessary to give notice of a meeting to all directors including without limitation any director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall not have a second or casting vote. A director or any other person who is an alternate director shall be entitled (subject to Article 89(B)) in the absence of his appointor or, as the case may be, his appointors to a separate vote on behalf of every director who he represents in addition to his own vote (if any) -

- (B) At any meeting of the directors and of any committee of the directors each director who is an associated person shall have one vote and each director who is not an associated person shall have a number of votes (including fractions of a vote) calculated by reference to the following formula:

$$\frac{5x + 1}{y}$$

where:

"x" is the number of directors present at the meeting who are associated persons; and

"y" is the number of directors present at the meeting who are not associated persons.

90. If an "A" Director or (as the case may be) a "B" Director fails to attend a meeting of the Board for whatever reason and no alternate director for him has been validly appointed in accordance with these Articles then the directors present who were appointed by the same appointing shareholder shall be entitled to cast the vote or votes of such absent director in such manner as they see fit as if such director were present at the meeting.
91. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of calling a general meeting.
92. The quorum for the transaction of business by the directors shall be any two directors. If a quorum is not present at any meeting of directors then that meeting shall be adjourned to the same place at the same time on the seventh day thereafter at which adjourned meeting the quorum shall

to the directors present. If at the adjourned meeting a quorum is not present within half an hour from the time appointed therefor or if during the meeting a quorum ceases to be present such adjourned meeting shall be dissolved.

93. The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
94. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards 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, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
95. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.
96. Any director or member of a committee of the directors may participate in a meeting of the directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and any director or member of a committee participating in a meeting in this manner shall be deemed to be present in person at such meeting and accordingly shall be counted in the quorum for the transaction of business at that meeting.
97. Subject to the Act, a director may vote at a meeting of directors or of a committee of directors (and may be counted in the quorum present at any such meeting) on any resolution concerning any matter in which he has, directly or indirectly, an interest which conflicts or may conflict with the interests of the Company provided that at or prior to such meeting he complies in respect of such a matter



with the disclosure provisions of Section 317 of the Act. Compliance with Section 317 of the Act shall be sufficient disclosure by a director for the purposes of Articles 86 and 87.

98. The Company may (with the prior written consent of the holders of all of the issued "A" Shares and at least 75% of the issued "B" Shares) by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of these Articles prohibiting a director from voting at a meeting of directors or of a committee of directors.
99. Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
100. If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

#### SECRETARY

101. Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

#### MINUTES

102. The directors shall cause minutes to be made in books kept for the purpose of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

#### THE SEAL

103. The seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.

## DIVIDENDS

104. Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.
105. Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
106. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
107. A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.
108. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person.

and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.

109. No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.
110. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

#### CAPITALISATION OF PROFITS

111. The directors may with the authority of an ordinary resolution of the Company:
- (a) subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;
  - (b) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other: but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this regulation, only be applied in paying up unissued shares to be allotted to members credited as fully paid;
  - (c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this regulation in fractions; and

- (d) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

#### NOTICES

112. Any notice to be given to or by any person pursuant to these Articles shall be in writing except that a notice calling a meeting of directors need not be in writing and the Company may give any such notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.
113. A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company.
114. A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
115. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.
116. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.
117. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by these Articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in

which it might have been given if the death or bankruptcy had not occurred.

#### WINDING UP

118. If the Company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

#### INDEMNITY

119. 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 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 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.

#### CONSENTS AND THIRD PARTY RIGHTS

120. (A) Where the approval or agreement or consent of any member or director is required under any provision of these Articles to any particular matter such approval agreement or consent may be given subject to such terms and conditions as that member or director may require and any breach of such terms and conditions shall ipso facto be deemed to be a breach of these Articles.
- (B) No person dealing with the Company shall be concerned to see or enquire whether any limitations on the powers of directors imposed by these Articles is observed or whether meetings have been validly held or other procedures have been validly carried out and no right or property acquired or liability incurred shall be invalid except in the case of express notice to the person by whom the right or property is acquired or to whom the liability is incurred at the time when the right or property was acquired or the liability incurred that the limitation had not been observed or the meeting or procedure had not been validly held or carried out PROVIDED ALWAYS that any person dealing

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with the Company shall be entitled conclusively to rely on a certificate signed by an "A" Director and a "B" Director that any thing deed or document has been validly authorised and done signed or executed in accordance with the provisions of these Articles.

RELEVANT AGREEMENTS

121. Notwithstanding the provisions of these Articles the directors shall be obliged so far as may be permitted by law to act in all respects with and to give effect to any Relevant Agreements.

A

ARTICLES OF ASSOCIATION

of

BDR WASTE DISPOSAL LIMITED



*Mr Wf*

The Companies Acts 1985 to 1989

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C O M P A N Y   L I M I T E D   B Y   S H A R E S

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ARTICLES OF ASSOCIATION

of

BDR WASTE DISPOSAL LIMITED

(Adopted by a Special Resolution passed on 23rd August 1993)

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PRELIMINARY

1. (A) The Regulations contained or incorporated in Table A of the Companies (Tables A to F) Regulations 1985 and the Companies (Tables A to F) (Amendment) Regulations 1985 ("Table A"), other than Regulations 24, 25, 40 and 41, 73, 75 and 76, 78 to 80 inclusive and 94 and 95, shall subject to the modifications hereinafter expressed, apply to the Company and together with the regulations hereinafter contained, shall constitute the Articles of Association of the Company.
- (B) In Regulation 1 of Table A "execution" includes both signature under hand and execution under seal.
- (C) Words and expressions which are defined in Table A have the same meanings when used in these Articles and reference to "Regulations" means the regulations contained in Table A.

PRIVATE COMPANY

2. The Company is a private company and accordingly the provisions of Section 170 of the Financial Services Act 1986 shall apply to the Company.



## SHARE CAPITAL

3. (A) The share capital of the Company at the date of adoption of these Articles is £400,008 divided into 10,000 voting non-equity shares of 1 penny each, 362,408 non-voting equity shares of £1 each and 37,500 deferred shares of £1 each.

- (B) The respective rights privileges and restrictions attaching to the voting non-equity shares, the non-voting equity shares and the deferred shares shall be as follows:-

- (1) as regards income:

- (a) the voting non-equity shares and the deferred shares shall not confer any right to receive a dividend or any other distribution of the profits of the Company
- (b) all profits which the Company may determine to distribute in respect of any financial year shall be distributed amongst the holders of the non-voting equity shares.

- (2) as regards capital:

on a return of capital on liquidation or otherwise the assets of the Company available for distribution amongst the members shall be applied as follows:-

- (a) first, in paying to the holders of the voting non-equity shares, in priority to any payment to the holders of any other class of shares in the capital of the Company, the nominal amounts paid up or credited as paid up on the voting non-equity shares held by them;
- (b) secondly, in paying to the holders of the non-voting equity shares the sum of £10m per share;
- (c) thirdly, in paying to the holders of the deferred shares, the nominal amount paid up or credited as paid up on the deferred shares held by them; and
- (d) the balance (if any) of such assets shall belong to and be distributed amongst the holders of the non-voting equity shares in proportion to the nominal amounts paid up or credited as paid up thereon.

- (3) as regards voting:

- (a) the holders of the voting non-equity shares have the voting rights provided for in Regulation 54;
  - (b) the non-voting equity shares and the deferred shares do not confer any voting rights in any circumstances.
- (C) For the purposes of Section 80 of the Act and subject to the provisions of Article 4, the Directors are hereby generally and unconditionally authorised at any time or times during the period of 5 years from the date of the adoption of these Articles:
- (1) to allot relevant securities of the Company (as defined in the said Section) up to the amount of the authorised but unissued share capital of the Company at the date of any such allotment; and
  - (2) to make at any time before the expiry of the foregoing authority any offer or agreement which would or might require relevant securities to be allotted after the expiry of such authority;

provided that the authority hereby given may, subject to the Act, be renewed, revoked or varied by the Company at any time during such period by Ordinary Resolution and unless so renewed, revoked or varied, such authority shall expire at the end of such period.

#### ALLOTMENT OF SHARES

4. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares or other securities, all shares or other securities shall be issued to such persons and upon such terms and conditions and with such rights, priorities, privileges or restrictions as the Resolution creating or issuing such shares or other securities and/or effecting the increase in the authorised share capital of the Company shall prescribe but, in the absence of any such prescription, all shares or other securities whether forming part of the existing or any increased capital or other securities shall be at the disposal of the Directors who may issue them, subject to Section 80 of the Act, to such persons at such times and generally on such terms and conditions and with such rights, priorities, privileges or restrictions as they may think fit. Accordingly, and in accordance with Section 91 of the Act, Sections 89(1) and 90(1) - (6) inclusive of the Act shall not apply to the Company.

5. No shares shall be issued to any infant, bankrupt or person suffering from mental disorder (as that expression is used in Regulation 81(c)).

#### LIEN

6. The lien conferred by Regulation 8 shall extend also to fully paid shares and to all shares registered in the name of any person indebted or under liability to the Company, (whether solely or jointly with any other person and whether he shall be the sole registered holder thereof or shall be one of several joint holders) and shall be a first and paramount lien for all moneys and liabilities owed to the Company whether presently due and payable or not.

#### FORFEITURE

7. The liability of any member in default of payment of a call shall, if the Directors so direct, also include any costs and expenses suffered or incurred by the Company in respect of such non-payment and Regulations 18 and 21 shall be amended accordingly.

#### TRANSMISSION OF SHARES

8. The Directors 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 30 days of the date of such notice the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with and Regulation 31 shall be modified accordingly.

#### TRANSFER OF SHARES

9. The Directors may not refuse to register any transfer of any share whether or not it is a fully paid share. Regulations 24 and 25 shall not apply.

#### GENERAL MEETINGS

10. No business shall be transacted at any general meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted each being a member or a proxy for a member, or a duly authorised representative of a corporation, shall be a quorum. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting if convened on the requisition of Members will be dissolved. In any other case, the meeting will stand adjourned to the same day in the next week at the same time and place or to such time and place as the Directors may determine. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting will be dissolved.

11. At any General Meeting of the Company, a poll may be demanded by one or more Members present in person or by proxy and

having the right to vote at the meeting and sub-paragraphs (b) (c) and (d) of Regulation 46 shall be modified accordingly.

#### APPOINTMENT AND REMOVAL OF DIRECTORS

12. Unless otherwise determined by Ordinary Resolution the minimum number of Directors shall be one and a sole Director shall have and exercise all the powers, duties and discretions conferred on or vested in the Directors by these Articles, and Regulations 64 and 89 shall be modified accordingly.

13. The Directors shall not be required to retire by rotation.

14. Subject as otherwise provided by these Articles, the Company may by Ordinary Resolution appoint a person who is willing to act, to be a Director, either to fill a vacancy or as an additional Director.

15. The Directors may also appoint a person who is willing to act, to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors. A Director so appointed shall not be subject to retirement or re-election at any Annual General Meeting.

16. In addition and without prejudice to the provisions of Sections 303 and 304 of the Act, the Company may by Extraordinary Resolution remove any Director before the expiration of his period of office and may, if thought fit, by Ordinary Resolution appoint another person in his stead. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.

#### POWERS AND PROCEEDINGS OF DIRECTORS

17. Subject to the Act, a Director may vote at a meeting of Directors or of a committee of Directors (and may be counted in the quorum present at any such meeting) on any resolution concerning any matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company provided that at or prior to such meeting he complies in respect of such a matter with the disclosure provisions of Section 317 of the Act. Compliance with Section 317 of the Act shall be sufficient disclosure by a Director for the purpose of Regulations 85 and 86.

18. The Directors may exercise all the powers of the Company conferred by the Memorandum to pay and/or provide pensions, annuities, gratuities, superannuation and other allowances, benefits, advantages, facilities and services both for persons who are or have been Directors of, or who are or have been employed by the Company or by any subsidiary or associated company of the Company and their dependants and relatives and the

Directors are entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers and Regulation 87 does not apply to the Company.

19. The Directors shall be entitled to such remuneration (if any) by way of fees salary or otherwise as shall from time to time be determined by resolution of the Directors and 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 and Regulations 82, 83 and 84 shall be amended accordingly.

20. Any Director who, by request of the Directors, performs special services for any purpose of the Company which in the opinion of the Directors is outside the normal scope of such Director's duties shall receive such extra remuneration by way of salary, percentage of profits or otherwise as the Directors may determine, which shall be charged as part of the Company's ordinary revenue expenses.

21. Any Director or member of a committee of the Board may participate in a meeting of the Directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and any Director or member of a committee participating in a meeting in this manner shall be deemed to be present in person at such meeting.

#### ALTERNATE DIRECTORS

22. The following provisions apply to the Company by way of variation of Regulations 65 to 69 inclusive:

- (A) The appointment of an alternate Director shall automatically terminate on the happening of any event which, if he were a Director, would cause him to vacate the office of Director or if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same Meeting;
- (B) An alternate Director shall be repaid by the Company such expenses as might properly be repaid to him if he had been a Director. An alternate Director shall be entitled to be indemnified by the Company to the same extent as if he were a Director;
- (C) A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at Meetings of the Directors or any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director and Regulation 88 shall be modified accordingly.

## BORROWING POWERS

23. The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof without limit and to issue debentures and other securities whether outright or as security (principal or collateral) for any debt liability or obligation of the Company or of any third party.

## RIGHTS OF CONTROLLING AUTHORITIES

24.(A) Whenever the Company shall be under the control of Rotherham Borough Council, Barnsley Metropolitan Borough Council and Doncaster Borough Council (together the "Authorities") within the meaning of Sections 68 and 73 of the Local Government and Housing Act 1989 ("LGHA 1989"), the following provisions of this paragraph (A) shall apply:-

- (1) The Authorities may at any time and from time to time appoint any person to be a Director (either for a fixed term or indefinitely) or remove from office any Director howsoever appointed but so that in the case of a Director holding an executive office his removal from office shall be deemed to be an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company;
- (2) No unissued shares or other securities shall be issued or agreed to be issued or put under option without the consent of the Authorities;
- (3) Any or all powers of the Directors (or any of them) shall be restricted in such respects and to such extent as the Authorities by notice to the Company from time to time prescribe.

Any such appointment, removal, consent or notice as aforesaid shall be in writing served on the Company at its registered office and signed on behalf each of the Authorities by its chief officer or some other person duly authorised for the purpose save that no person dealing with the Company shall be concerned to see or enquire as to whether the powers of the Directors or any of them have been in any way restricted hereunder or as to whether any necessary consent of the Authorities has been given and no obligation incurred or security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party had at the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the Directors.

(B) If at any time before the beginning of a financial year any of the Authorities has resolved that the Company should be an arms length company, the following provisions of this paragraph (B) shall apply at all times from the passing of that resolution

up to the end of that financial year while the Company shall be under the control of that Authority within the meaning of Sections 68 and 73 of LGHA 1989:-

- (1) No person shall be appointed as a Director unless immediately thereafter the number of Directors who are members or officers of the Authority is one fifth or less.
  - (2) No person shall be appointed as a Director unless he is so appointed for a fixed term of at least two years and, if any person has previously been appointed as a Director otherwise than for a fixed term of at least two years, the appointment of that person as a Director shall take effect as an appointment for the fixed term of two years commencing with the passing of the resolution by the Authority.
  - (3) A Director who is not a member or officer of the Authority at the time of his appointment as a Director shall vacate office as a Director (and shall be deemed to have done so) on the day preceding the day on which he becomes a member or officer of the Authority.
  - (4) A Director who is a member or officer of the Authority shall forthwith vacate office as a Director if the number of Directors who are members or officers of the Authority for any reason whatsoever exceeds one fifth of the total number of Directors. In such event the smallest number of Directors who are such members or officers shall vacate office as shall result in the number of Directors who are such members or officers ceasing to exceed one fifth of the total number of Directors and the Director or Directors to vacate office shall be (unless all the Directors who are such members or officers otherwise agree among themselves before such event) the Director or Directors who shall have been longest a Director or Directors since their last appointment as such and as between individuals who became Directors on the same day the individual to vacate office shall be (unless the relevant individuals otherwise agree among themselves before such event) the individual whose last name begins with the letter nearest A and if there are two or more such individuals the older or oldest shall vacate office.
- (C) If any of the foregoing provisions of this Article apply, they shall prevail over the other provisions of these Articles to the extent of any inconsistency.

## NOTICES

25. Any notice to be given to or by any person pursuant to these Articles shall be in writing except that a notice to a Director need not be in writing.

26. In Regulation 112 the words "or by telex or facsimile transmission" shall be inserted before the words "or by sending it by" and the words "first class" shall be inserted before the words "post in a prepaid envelope". The provisions of Regulation 112 as so varied shall (*mutatis mutandis*) apply also to notices to Directors.

27. Where a notice is sent by first class post, service of the notice, shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice and to have been effected in the case of a notice of a meeting at the expiration of 24 hours after the letter containing the same is posted.