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I. NAME, DOMICILE, PURPOSE

Article 1. Name - Duration

1.1 An international non-profit association (Association internationale sans but lucratif (AISBL) is constituted called "EUROPEAN SOLVENT RECYCLER GROUP", abbreviated to "ESRG".

This name must always be preceded or followed by the phrase "association internationale sans but lucratif " or the initials "AISBL"

1.2 This Association is formed under the laws of Belgium dating from 25th October 1919 and amended by the laws dating from 6th December 1954 and 30th June 2000.

1.3 The Association is created for an indefinite period of time.

Article 2. Domicile

The domicile of the Association is located at 1030 Brussels, rue du Pavillon 9. The domicile can be transferred to any other location in Belgium by a simple decision of the Board of Directors to be published in the month of its date in the annexes of the official Belgian gazette (Moniteur belge).

Article 3. Purpose and Activities

3.1 The purpose of the Association is to support and promote the recycling of used solvents or other chemicals processed in regeneration plants.

3.2 In order to achieve its purpose, the Association may take all steps it deems appropriate such as:

- a) the implementation of working groups;
- b) the organisation of meetings;
- c) publications;
- d) the exchange of information.

3.3 The organs of the Association are: the General Assembly, the Board of Directors and the General Secretary.

Article 4. Financing

4.1 The Association may adopt and utilise any of the following financial means:

- subsidies from public or private institutions;
- income from general services and the sale of publications ;
- donations and legacies;
- the contributions of full or affiliated members.

4.2 The scale of membership fees and the details of payment are fixed annually by the General Assembly at the recommendation of the Board of Directors.

II. MEMBERS

Article 5. Types of Membership

The Association is made up of companies' of good standing and repute of Belgium or European registration being duly authorised according to their national laws and customs.

Each member company shall appoint a representative to the Association and as necessary may nominate a substitute.

There are four types of members :

5.1 Full members: Any company collecting and/or processing used solvents and/or other chemicals for material recovery and active in the purpose laid down in Art. 3.1.

5.2 Affiliated members: Affiliated members are companies that support full member companies.

5.3 Associated members: The associated members are the national trade associations representing in their countries the companies active in the purpose laid down in Art. 3.1.

5.4 Honorary members. The honorary members are individuals who, although they do not belong to the companies which are full or affiliated members, have demonstrated their support for the recycling of used solvents.

Article 6. Admission

The admission of new members is subject to the following conditions: The types of members must comply with the criteria defined in Art. 5. Within the application new members have to acknowledge and agree to the commitments following the statutes. The applications have to be proposed by the Board of Directors and have to be sent to all voting members by letter, Fax, Email within a period of six weeks. If, within a period of four weeks an objection is made regarding a membership issue, the board will make a final decision. If the board cannot make a decision, the next General Assembly will decide. The membership will commence with the information by letter, Fax or Email from the Board that the act of admission has been completed. Founding members have a right for full membership.

Article 7. Resignation

A member may tender their resignation at any time by formal written notice to the Board of Directors. On receipt of such notice the Board will on behalf of the Association retain any fees paid in the current financial year.

Article 8. Withdrawal – Exclusion

The exclusion of members from the Association can be proposed by the Board of Directors, after hearing of the representations of the party concerned, and pronounced by the General Assembly with a two-thirds majority of those members present or represented. Following two reminders, those who fail to pay their membership fees in a timely manner may at the discretion of the Board be removed from ESRG membership. The Board of Directors may suspend the party in question until the General Assembly takes its decision. A member who ceases to be a member of the Association has no rights to the mutual funds of the Association.

Article 9. Fees

The full and affiliated members pay a membership fee fixed annually as described in article 4.2 above. The associated and honorary members do not pay a membership fee.

III. GENERAL ASSEMBLY**Article 10. Composition**

The General Assembly is composed of all the full and affiliated members (associated and honorary members may take part with a non-voting advisory function).

Article 11. Powers

The General Assembly holds full powers for the realisation of the aims of the Association.

In particular, it is responsible for the following:

- a) approval of budgets and accounts;
- b) appointment and dismissal of the Directors;
- c) amendments to the Statutes;
- d) dissolution of the Association

Article 12. Convocation of the General Assembly

12.1 An General Assembly is held before the 15th June each year, at the time and date set by the Board of Directors, in order to:

- a) approve the accounts of the financial year since the preceding regular General Assembly and grant discharge to the Board of Directors
- b) fix the budget of receipts and expenditure until the following regular General Assembly and determine the amount of the annual contributions
- c) examine the annual report of the Board of Directors
- d) as necessary, appoint or dismiss its officers and ratify the appointments or exclusions of full or affiliated members.

12.2 The Ordinary General Assembly meets with full powers, under the chairmanship of the President of the Board of Directors, at its domicile or at the place indicated in the notice of convocation. This notice is to be submitted by the President or by the Board of Directors. It is to be sent by letter, telefax, Email at least two weeks before the Ordinary General Assembly is due to convene and is to contain the agenda of the proposed meeting. In addition, an extraordinary General Assembly can be convened by the Board of Directors in the case of the circumstances described hereinafter;

12.3 The Board of Directors may convene Extraordinary General Assemblies.

It must convene an extraordinary General Assembly within a term of three months if this request is submitted by one quarter of the full members who have paid their membership fees correctly. The request thus submitted must state in a precise manner the items to be placed on the agenda of the extraordinary meeting.

12.4 The notice of convocation of the regular General Assembly or an extraordinary General Assembly and the agenda, are to be sent to the full members at least two weeks in advance by post or electronically. The Board of Directors decide on the agenda taking into account the matters which must be dealt with by the General Assembly according to article 11. It also puts any matter on the agenda which is

raised by a full member who has paid membership fees correctly. This matter must be submitted to the Board at least two months before the date of the regular General Assembly or an extraordinary General Assembly.

Article 13. Representation

The full and affiliated members can appoint a representative at the General Assembly by giving power of attorney to another full or affiliated member.

Each full or affiliated member however may only hold one such power of attorney.

Resolutions of the General Assembly are valid if the notice of convocation was in time and according to the rules. Resolutions can be done with the simple majority of attending full and affiliated members.

Article 14. Resolutions

Each paid up full or affiliated member has one vote.

With the exception of those cases defined in these Statutes, all resolutions must be passed by a simple majority of the full or affiliated members present or represented.

All members must be informed of these resolutions during the month which follows the General Assembly by post or electronically.

No resolutions can be made on matters which have not been placed on the agenda.

The resolutions of the General Assembly are recorded in a register signed by the General Secretary and kept by him to be placed at the disposal of the members on request.

Article 15. Amendments of the Statutes – dissolution of the Association

15.1 Without prejudice to articles 50§3, 55 and 56 of the law of 25th October 1919 , any proposal to the effect of amending the Statutes or of dissolving the Association must be proposed by the Board of Directors or by at least three quarters of the full or affiliated members of the Association.

15.2 The Board of Directors must inform the members of the Association of the aforementioned proposal at least three months in advance of the General Assembly concerning this proposal. This General Assembly can only pass valid resolutions on the aforementioned proposal by two thirds of the attending members with voting rights.

15.3 The General Assembly will decide on the mode of dissolution and liquidation of the Association.

IV. ADMINISTERING BODIES : BOARD OF DIRECTORS

Article 16. Composition

The Association is administered by a Board of Directors composed of a minimum of three and a maximum of seven Directors. The board elects among its members a President, a General Secretary and a Treasurer.

16.1 Appointment

The Directors are appointed by the General Assembly for a period of 3 years. In case a vacancy occurs during this time, a provisional Director can be appointed by the Board of Directors. He then continues the term of office of the Director he has replaced.

16.2 Dismissal

The Directors can be dismissed by the General Assembly with a two-thirds majority of the full or affiliated members present or represented.

Article 17. Convening - Meetings

The Board meets at least twice a year or upon the special request of one third of the members.

The notice of convocation of a board meeting is to be sent at least one month in advance by letter, fax, Email.

One Director can be represented by another Director. Each Director however may only hold one such power of attorney.

Article 18. Powers

The Board of Directors holds the full powers for management and administration of the society subject to the authority of the General Assembly.

In particular, the Board of Directors has the duty to organise General Assemblies, to set their agenda and to write the minutes of each Assembly which are then subsequently sent to all members.

Article 19. Resolutions

Resolutions of the board are only valid if at least half of its members are present or represented.

The resolutions of the Board can be passed with a simple majority of the Directors present or represented. In the case of a divided vote, the vote of the President is decisive.

The resolutions of the board meetings are recorded in a register, signed by at least two Directors. This is kept by the General Secretary to be placed at the disposal of the members on request.

V. EXECUTIVE BODY : GENERAL SECRETARY

Article 20. Powers

20.1 The General Secretary is entrusted with the daily management work of the Association under the responsibility of the Board of Directors. The Board can delegate the daily management work to a duly authorised agent. It can, furthermore, within the scope of its authority, confer special powers to one or more persons.

20.2 The General Secretary is proposed by the President and appointed and dismissed by the Board of Directors.

The General Secretary appoints the necessary personnel to ensure good management of the Association within the limits of the budget set by the General Assembly. Unpaid assistants can also be appointed.

20.3 The powers and functions of the General Secretary are determined by the Board of Directors.

VI GENERAL PROVISIONS

Article 21. External representation

All acts of external representation that are of a particular importance to the Association require the written authority or proxy of two Directors but this shall exclude the day to day administration needs of its appointed Officers who are duly authorised to act by the Board.

Legal proceedings as defendant or plaintiff are pursued by the Board of Directors represented by its President or a Director appointed for this purpose by him.

Article 22. Budgets and accounts

The fiscal year begins on the 1st January and ends on the 31st of December;

In accordance with article 53 of the aforementioned law, the annual accounts and the budget of the Association for the coming year are prepared by the Board of Directors and then submitted for approval to the next General Assembly. The annual accounts are sent to the Belgian Federal Public Service of Justice according to article 51 of the aforementioned law.

If necessary, the General Assembly can decide to set up a reserve fund establishing the amount and the mode of contribution to the fund by the members.

Article 23. Others

Anything not foreseen by the present Statutes, and in particular the publications to be made in the official Belgian gazette, shall be carried out in compliance with the provisions of the laws.
