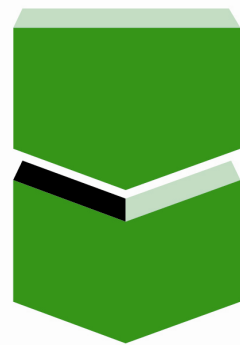


By-law

**European
Quality Association for Recycling
(EQAR)**



EQAR

By-laws

§ 1

Name, legal form, registered office, and financial year

- 1.1 The „European Quality Association for Recycling (EQAR) is an international association consisting of national quality protection organisations and construction material recycling companies that produce quality-controlled recycling construction materials.
- 1.2 The registered office of the Association is Berlin (Germany).
- 1.3 The Association’s business year follows the calendar year.
- 1.4 EQAR is about to be recorded into the Register of Associations of the District Court of Berlin-Charlottenburg. Once registered, it will be allowed to use the additional “e.V.” (Registered association) designation.

§ 2

Purpose and duties

- 2.1 The purpose and duties of EQAR are especially:
 - 2.1.1 The promotion of international cooperation and exchange of experiences between national members of the Association.
 - 2.1.2 Know-how transfer and support with spreading views on quality assurance harmonisation concerning recycling construction materials in Europe.
 - 2.1.3 Participation in the elaboration and definition of European standards and legislation for construction material recycling, with the purpose of establishing harmonised EU-wide standards as well as inclusion of according standards into relevant CE standards
 - 2.1.4 Cooperation with decision-makers and regular contact with quality and standard relevant bodies within the EU (CEN, EC, EP)
- as well as
- 2.1.5 Participation in research, development and standardisation as well as cooperation with further RC relevant international organisations
 - 2.2 EQAR reserves the right to join relevant trade or research associations to pursue its objectives.

§ 3

Membership

- 3.1 The following organisations may apply for EQAR full membership:
 - 3.1.1 National and regional construction material recycling quality associations.
 - 3.1.2 Companies producing quality-controlled recycling construction materials.
- 3.2 Any individuals and legal entities willing to support the goals and activities of EQAR and having a vested interest in becoming a member can become sponsoring members.
- 3.3 Applications for membership are to be addressed in writing to the EQAR office upon compliance with any individual requirements as necessary to obtain membership. Membership shall be subject to review by the Committee. In the event of a negative decision on the part of the Committee, the General Assembly of Members may be seized, which shall make a final decision regarding the application by simple majority vote.

§ 4

Termination of membership

- 4.1 Membership shall end upon cancellation of membership or, in the case of natural persons, upon death, in the case of legal entities, upon cessation of business or liquidation.
- 4.2 A member may only cancel his/her membership at the end of a calendar year upon keeping a six-month notice period. For the sake of proof, notice may only be served by registered mail sent to the office.
- 4.3 A member may be excluded for the following reasons:
 - a. In case of an infringement of these by-laws or of the resolutions passed by the Association's organs,
 - b. If requirements of § 3 number 3.1.1. and 3.1.2. as well as number 3.2 no longer exist,
 - c. If the member has been in arrears for more than six months concerning any due membership contributions or fees,
- 4.4 Exclusion shall be subject to a committee decision. The exclusion of a member is to be notified by registered mail upon indication of the reasons.
- 4.5 The person concerned may file a written protest against the exclusion with the General Assembly of Members within a period of one month. The protest shall be deemed received by the General Assembly of Members upon delivery at the office. The next Assembly of Members shall make a final decision on the protest by simple majority vote, whereby the person concerned shall be given the opportunity to justify his/her protest personally. All rights of the excluded person shall rest until the case has been finally settled by the General Assembly of Members.

- 4.6 Upon cancellation of membership, all rights towards EQAR shall expire. Cancellation of membership shall not relieve the ex-member from still existing obligations towards the Association.

§ 5

Rights and obligations of members

- 5.1 The members shall be entitled to attend the General Assembly of Members and to visit any institutions and attend any events of the Association according to the by-laws.
- 5.2 The members commit themselves to comply with the by-laws and the resolutions of the Association's organs and to support the common interests and activities of the Association. They especially commit themselves to provide information on the basis for the assessment of membership contributions, to pay contributions on time and to participate in the surveys of the Association.

§ 6

Association organs

- 6.1 The Association's organs are:
- 6.1.1 The General Assembly of Members
- 6.1.2 The Committee

§ 7

General Assembly of Members

- 7.1 The ordinary General Assembly of Members is summoned at least once a year by the Chairman of the Committee, or by the office on his behalf, upon keeping a notice of at least four weeks and upon communication of the agenda.
- Extraordinary General Assemblies of Members shall be summoned upon decision of the Committee or at the request of more than one third of members or at least two members according to number 3.1.1. In this case, a convocation notice period of at least four weeks is to be kept.
- 7.2 Member applications that should be additionally put on the agenda of the ordinary General Assembly of Members must be submitted to the office in writing at least two weeks prior to the meeting of the Assembly. They are to be notified to members immediately.
- 7.3 Applications that are not on the agenda may only be accepted if the majority agrees. Decisions on applications for changes to the by-laws and on the discharge of the Committee and the Secretary as well as elections shall only be permitted if applications were notified to members at least two weeks before the General Assembly of Members.

- 7.4 Every member according to number 3.1.1 has ten votes. Every member according to number 3.1.2 has one vote. In individual cases, a full member can be represented by another full member. The power of representation must be submitted in writing. However, a voter may only represent a maximum of two other voters.
- 7.5 Every properly summoned General Assembly of Members is competent to pass a resolution. Resolutions are passed by simple majority vote of the represented voters, unless otherwise specified in the by-laws. Tied votes shall not be accepted.
- 7.6 Changes to by-laws may only be carried out upon a three-fourths majority of votes.
- 7.7 If an open vote is rejected by at least three present voters, voting must be effected by secret ballot.
- 7.8 The General Assembly of Members
- Chooses the Chairman, his deputy and other Committee members.
 - Decides when the Committee and the Secretary should be discharged,
 - Receives Committee reports,
 - Chooses auditors,
 - Approves annual statements and main budget plan,
 - Defines the Schedule of Contributions and Fees as well as extra-budgetary expenses,
 - Reviews changes to by-laws and authorises the dissolution of the Association,
 - Orders setup and composition of committees and defines the duration of committee activities,
 - Reviews applications by members and organs as well as protests against resolutions of the Committee.
- 7.9 The Assembly of Members is headed by the Chairman or one of his deputies. The resolutions of the General Assembly of Members are to be recorded and signed by the Assembly Chair and the minute-writer and to be sent to members.

§ 8

Committee

- 8.1 The Committee consists of the Chairman, two deputies, and up to five other members.
The Chairman of the Committee represents the Committee in the meaning of § 26 BGB (German Civil Code).
- 8.2 Only full member representatives under number 3.1.1. and number 3.1.2. of the by-laws may be elected on the Committee.
- 8.3 The Chairman of the Committee, his deputies and the other committee members according to number 8.1 are elected for a term of 3 years by simple majority vote.

The Chairman of the Committee and the other committee members may be re-elected. For the Chairman of the Committee, the term of office shall be restricted to maximum one election period. After expiry of their term of office, the Chairman of the Committee and the other committee members may remain in office until their successors take office.

- 8.4 The task of the Committee is to manage the Association according to the provisions of the present by-laws.
- 8.5 The Committee is summoned by the Chairman at least once a year. It can also be summoned upon request of at least two committee members. It is competent to pass a resolution if more than half of its members are present. Resolutions may be passed by simple majority vote. In case of tied votes, the Chairman's vote is final. Minutes of the Committee Meeting must include all resolutions and be signed by the Assembly Chair and the minute-taker.

§ 9

Secretary

- 9.1 In order to perform its duties, the Association shall set up an office headed by a Secretary who is responsible for the daily operations of the Association.
- 9.2 The appointment of the Secretary shall be solely incumbent upon the Committee.
- 9.3 The Secretary shall attend meetings of the Association's organs. The Secretary may conclude business deals within the frame of the budget plan and binding the Association up to an amount of □2,500,00 per deal. He may only dispose of funds above this amount together with the Chairman of the Committee.

§ 10

Budget year, budget, membership fees

- 10.1 The budget year is the calendar year.
- 10.2 A budget plan is to be set up annually in advance.
- 10.3 The Association's activities shall be funded by membership fees of its members. Details are set out in the Schedule of Fees and Contributions in its valid version.

§ 11

Auditors

- 11.1 The General Assembly of Members shall elect two honorary auditors for an office term of three years. The auditors may be re-elected.
- 11.2 The auditors are to audit the entire accounts and treasurership. The audit is to be carried out in such a way that the report can be presented to the General Assembly of Members.

§ 12

Dissolution of the Association

- 12.1 The dissolution of the Association may be agreed by an especially summoned General Assembly of Members upon a three quarters majority of votes.
- 12.2 Under the terms of these by-laws, if the General Assembly of Members decides to dissolve the Association, the remaining assets must be distributed to the members after all obligations have been met.

Berlin, 31st January 2006

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