

**ARTICLES OF ASSOCIATION
ECOLEC FOUNDATION**

FIRST TITLE**GENERAL PROVISIONS****Article 1: Name, Nature, Nationality, Sector and Domicile**

1. The ECOLEC Foundation is a private non-profit foundation, whose assets are, on a long-term basis, intended for carrying out the general interests established in article 4 of the Articles of Association herein.
2. The Foundation is Spanish.
3. The Foundation will carry out its activities mainly in Spain.
4. The legal residence of the Foundation is located in calle Príncipe de Vergara, 74, 2nd floor, 28006 Madrid, where the head office of its board is also located. The Board may agree to a change in domicile following the appropriate modification of the articles of association, which shall immediately be communicated to the Foundations Commission in accordance with legislation currently in force.
5. The Foundation may establish offices or branches anywhere in Spain or abroad and may establish foundations in other countries in accordance with respective national legislation.

Article 2: Status and Capacity

1. Once the Foundation has been entered into the Register, it shall have its own legal status and full capacity to act and shall thereby be entitled to carry out all activities required in order to fulfil the purpose for which it has been created, in accordance with that which is established in the Legal System. As a result, it may carry out the following activities, including but not limited to the acquisition, holding, possession, disposal by any means whatsoever and mortgaging of any assets, fixtures or property, and rights; and it may reach a settlement and use government or legal means to execute all kinds of lawsuits and objections before Courts of Law and public and private organizations, as well as carry out all those activities required for the fulfilment of the aims of the foundation, all of the above, without prejudice to the authorizations of the Foundations Commission or communications to said commission, as provided for under current regulations.
2. Once the foundational charter has been signed and entered into the Foundation Register, in addition to those actions required for registration, the governing body of the Foundation shall only carry out those other actions essential for the preservation of its assets along with those which cannot be delayed without causing detriment to the Foundation, said actions which shall automatically be understood to have been adopted by the Foundation when it obtains its legal status.

Article 3: Regulations

The Foundation shall be governed by the legal regulations currently in force, by the will of the Founder as established in the Articles of Association and by the rules and regulations established by the Board during the interpretation and development of said Articles of Association.

SECOND TITLE**AIMS OF THE FOUNDATION AND BASIC RULES FOR THE APPLICATION OF RESOURCES FOR THE FULFILMENT OF THE AIMS OF THE FOUNDATION AND FOR ESTABLISHING BENEFICIARIES****Article 4: Aims**

1. The aims of the Foundation are to protect the environment and, in order to achieve this, the Foundation shall carry out the following activities:

a) The establishment and management of systems for the collection, transport, storage, assessment, treatment and control of waste appliances, equipment and electrical and electronic components, systems which, with no profit motive in mind, manufacturers, distributors and those responsible for placing said appliances and equipment on the market may participate in as a result of their membership, with special focus being placed on compliance with waste regulations which may be in force at any time.

b) The establishment and management of systems of collection, transport, storage, evaluation and elimination of waste containers, including the surveillance of these operations as well as of unloading areas after they have closed, systems in which, with no profit motive in mind, economic agents involved in the entire life cycle of said containers may participate, with special focus being placed on compliance with waste regulations which may be in force at any time.

c) Join forces and sign agreements with various state administrations, institutions and organizations, whether on a state, autonomous, provincial, regional or local level.

d) Collaborate in the maintenance and improvement of natural energy-providing resources by collecting, treating and controlling waste electrical and electronic equipment, as well as participate in the improvement of sanitary conditions for the population and the environment.

e) Carry out studies and research in relation to the collection, transport, storage, evaluation, treatment and control of this type of waste.

f) The writing, publishing and distribution of books, monographs, brochures and all other kinds of information in relation to the collection, storage, transport, treatment and control of this type of waste, including its diffusion in the media.

g) The promotion of a culture of sustainable development in relation to electrical and electronic equipment.

h) The carrying out of any other activity in relation to the management of electrical and electronic appliances, equipment and components at the end of their useful life.

2. The above list of activities does not create any obligation to carry out each and every activity, nor does it provide any order of priority.

Article 5: Freedom to act

1. The Foundation, given the circumstances at any time, shall be at complete liberty to act in relation to any of the aims expressed in the previous article, in accordance with the specific objectives, which, in the opinion of the Board, are considered to be priority.

2. The Board shall be at complete liberty to establish the activities of the Foundation in order to achieve those specific objectives which, in its opinion and in compliance with its aims, are most suitable or convenient at any time.

Article 6: Development of the aims

The development of the aims of the Foundation shall be carried out as follows:

- a) Directly by the foundation in its own or external facilities.
- b) Through the creation and cooperation in the creation of other organizations of a similar nature, whether they be a foundation or society.
- c) By participating or collaborating in the development of activities of any non-profit entity, organization, institution or person of any kind, whether an individual or a legal entity, which may in some way serve the purposes pursued by the Foundation.

Article 7: Establishment of beneficiaries

1. When, due to their nature, the benefits of the Foundation cannot be enjoyed by a person without a prior decision being taken, the Foundation shall extend said benefits to national or foreign individuals or legal entities, which, in the opinion of the Board, deserve to receive them. When choosing beneficiaries, the Board shall always act in accordance with the criteria of impartiality and non-discrimination, designating said beneficiaries from those individuals or companies that comply with the following conditions:

- a) Those belonging to the sector of the population served by the Foundation.
- b) Those requesting a benefit or service which the Foundation is able to offer.
- c) Those who are able to justify that their use of the assistance provided is for the purpose for which it was granted.
- d) Those who are entitled to the benefits on account of their merits, capacity, need or interests.
- e) Those who fulfil other requirements, which may be additionally agreed to by the Board and which are specific to each notification.

2. No individual or group may claim any right before the Foundation in relation to the enjoyment of their benefits before they have been granted, nor may they confer their allocation to a specific individual or legal entity.

Article 8: Advertising of activities

The Foundation shall provide sufficient information in relation to its aims and activities in order to inform possible beneficiaries and other interested parties.

Article 9: Application of resources to the fulfilment of the aims

1. At least 70 percent of profits from economic operations as well as income resulting from any other concept shall be used for carrying out the aims of the foundation, minus costs incurred in order to obtain said profit and income. The remainder shall be used to increase funding or reserves in accordance with that which is established by the Board. Expenses incurred in order to obtain said income may include, as the case may be, the proportional part of expenses for external services, personnel expenses, other management expenses, financial expenses and tax expenses, in so far as they contribute to the obtaining of income, excluding from this calculation those expenses incurred in order to comply with the statutory aims. The deadline for compliance with this obligation shall commence at the beginning of the fiscal year in which the respective profit and income was obtained until four years after the end of said fiscal year. Neither contributions nor donations received as patrimonial funding at the time of its creation or at any time in the future, nor income obtained during the onerous transfer of real estate in which the Foundation carries out activities relating to its specific objective or purpose shall be

included in the calculation of income, provided that the amount of said transfer is reinvested in real estate in which the Foundation will carry out its activities.

2. Administration costs are understood to be those directly resulting from the administration of the assets and rights that make up the equity of the Foundation and all other expenses to which the Board Members are entitled in accordance with article 15.4 of the Law of Foundations.

THIRD TITLE

GOVERNING OF THE FOUNDATION

Article 10: Nature and Duties of the Board Members

1. The Board is the body that governs, represents and manages the Foundation and which carries out its corresponding duties, on the basis of that which is provided for in the Legal System and in the Articles of Association herein. Members of the Board shall carry out their duties with a level of effort commensurate with a loyal representative.

2. The Board Members shall carry out their duties independently, without obstacles or limitations. Pursuant thereto, when adopting resolutions or agreements of any kind, they shall not be obligated to observe any requirements other than those expressly provided for in the Articles of Association herein or those established by mandatory law in the legal system.

3. The Board Members shall perform their duties free of charge and shall under no circumstances receive a salary for the carrying out of their duties. Notwithstanding, they shall be entitled to receive a reimbursement of duly justified expenses incurred during the carrying out of their duties.

Article 11: Composition of the Board

1. The Board shall have at least three and no more than twenty board members.

2. The first Board shall be established in the foundational charter.

3. The initial number of board members shall be increased throughout the lifetime of the foundation depending on the requirements of the foundation and following agreement by the Board.

4. Both individuals as well as legal entities may belong to the board in accordance with the limits established by the Law.

Article 12: Term of office

1. The Board Members shall remain in their posts for a period of two years and their positions may be renewed on successive occasions.

2. The Board Members shall remain in their positions so long as they do not commit any of the reasons for dismissal provided for in article 14 of the Articles of Association herein.

Article 13: Acceptance of the position of board member

Board members shall take up their duties after having expressly accepted the position by means of a public agreement, a private agreement with a notary-authenticated signature, as a result of their appearance in the Foundations Register or before the board itself, with proof being provided by means of a certificate issued by the Secretary, with a notary-authenticated signature.

Article 14: Dismissal and replacement of board members

1. The dismissal of board members of the Foundation shall take place in the following cases:
 - a) As a result of their death or declaration of death, or as a result of the termination of a legal entity.
 - b) As a result of their resignation, which shall be communicated in accordance with the required formalities.
 - c) As a result of incapacity, disqualification or incompatibility, in accordance with that which is established by the law.
 - d) As a result of their dismissal from the position to which they were appointed as members of the Board.
 - e) As a result of their not performing their job with a level of effort commensurate with a loyal representative, or as a result of a derivative suit for damages arising as a result of illegal activities with regards the Law or the Articles of Association herein or as a result of negligent activities, in both cases if this is thereby established in a judicial ruling.
 - f) As a result of the completion of the period of their term of office.
 - g) As a result of a decision taken by the Board with a simple majority.
 - h) As a result of the passing of six months following the execution of the public foundational charter without it having been entered into the corresponding Foundation Register.
2. Dismissal shall be effective from the moment of its notification to the Foundations Commission and shall be carried out for any of the above reasons in accordance with the procedures provided for approval.
3. In the event of a vacancy arising, the Board shall decide whether to fill said vacancy within a maximum period of two months, otherwise it shall be left vacant.
4. In the event that a Board Member appointed by reason of the position they hold commits a reason for dismissal as a Board Member of the Foundation which does not involve their dismissal from the position by reason of which they were appointed as a Board Member, the Board shall decide how to fill the vacancy created once the person holding the position to which the position of Board Member is linked can join said Board.
5. The replacement, suspension and dismissal of Board Members shall be entered into the Foundations Register.

Article 15: Internal Organization of the Board

1. The Board shall have a President who shall perform the following duties:
 - a) Represent the Foundation before any and all persons, authorities and public or private entities, exercising all rights, lawsuits and objections and carrying out all procedures, applications, incidents and appeals in relation to those procedures, files, claims and lawsuits which are incumbent on or of interest to the Foundation and they shall be provided with those powers of attorney deemed necessary for this purpose.
 - b) Convene meetings of the Board, preside over them and lead their debates;
 - c) Sign Board agreements, being authorized to carry out any and all activities and sign those documents required for this purpose.

2. The Board shall appoint a Vice-President from among its board members, who shall perform the duties of President in the event that the latter position becomes vacant due to absence or illness, and who shall also be authorized to represent the Foundation in those circumstances established by the Board. The Vice-President shall be appointed for four years, without detriment to future appointments.

3. The Board shall appoint a Secretary, who may be chosen from persons who do not belong to the Board, in which case said secretary shall have a say but not a vote on the Board. The duties of the Secretary shall include looking after all documentation belonging to the Foundation, preparing the corresponding minutes of Board meetings, issuing necessary certifications and reports along with any and all duties which are expressly entrusted to them. In the event of illness, absence or of the position being vacant, the youngest member of the Board shall perform the duties of the Secretary. The secretary shall be appointed for four years, without detriment to future appointments.

Article 16: Powers of the Board

1. The jurisdiction of the Board shall extend to all that which relates to the management and administration of the Foundation, without exception.

2. The duties of the Board, notwithstanding authorizations from the Foundations Commission or communications to said commission, which, where applicable, shall be proper by law, shall include but not be limited to the following:

a) The carrying out of all activities and the adopting of any and all agreements considered necessary for the proper development of the administration and management of the Foundation, in accordance with statutory requirements.

b) The resolving of all incidents which may occur.

c) The granting and revoking of general or special powers of attorney.

d) All other duties that may be conferred upon it by the Law or the Articles of Association herein.

3. The duties conferred on the Board may be delegated to one or various Board Members or its President, taking into account the limits established in article 16.1 of the Law of Foundations.

4. The Board Members may be hired by the foundation whether in their own name or in the name of a third party, following authorization by the Foundations Commission.

Article 17: Board Meetings and Notification

1. The Board shall meet at least twice a year, once during the first six months and thereafter as many times as required for the smooth operation of the Foundation. It shall be the responsibility of the President to convene meetings of the Board, on his/her own initiative or when requested by at least one third of the members.

2. Notification shall be sent to each member at least fifteen days before the date of the meeting, using a method that provides an acknowledgement of receipt. Said notification shall indicate the place, day and time of the meeting, as well as the agenda.

3. In the event of an emergency, said deadline may be reduced.

4. Prior notification shall not be required when all board members are present and unanimously agree to hold the meeting.

Article 18: Form of deliberation and reaching agreements

1. The Board shall be validly constituted when at least half plus one of its members are present.
2. Agreements shall be adopted by means of a simple majority of votes, except in relation to those matters for which the Articles of Association herein require a special quorum, the vote of the President being the deciding vote in the event of a tie.
3. The Secretary shall prepare the corresponding minutes of the board meetings, which must be signed and approved by all members present at said meetings. Said minutes shall be entered into the corresponding book and shall be signed by the Secretary with an endorsement by the President.

Article 19: Obligations of the Board

1. When performing its duties, the Board shall comply with that which is established by legislation currently in force and with that which is provided for in the Articles of Association herein.
2. It shall be the duty of the Board to comply with the aims of the foundation and to manage the assets and rights belonging to the Foundation, fully ensuring a return and profit on said assets and rights.
3. The Board shall provide sufficient information in relation to the aims and activities of the Foundation in order to inform possible beneficiaries and other interested parties.
4. Board members shall be obligated to participate in the meetings to which they are summoned and to perform their job with a level of effort commensurate with a loyal representative.

Article 20: Other Bodies

An executive Commission shall be established, composed of those persons appointed by the Board, in order to carry out the duties, and exercise the powers entrusted to it by the Board, which can be delegated.

Article 21: Responsibility of the Board Members

The board members shall jointly and severally answer to the Foundation for damages arising as a result of illegal activities with regards to the Law or the Articles of Association herein or as a result of those activities carried out without the commensurate level of effort required by their position. Those who voted against the agreement and who prove that, by not having taken part in its adoption and execution, did not know of its existence or, knowing of its existence, did everything within their power to avoid any damage or at least expressly opposed said agreement shall be exempt from responsibility.

FOURTH TITLE**HONORARY DIRECTOR AND BOARD MEMBERS****Article 22: Director**

The Board may appoint a Foundation Director who is not a member of the Board, to whom it may assign the duties, mainly of administration and management of the Foundation, which are established in the appointment agreement, in accordance with that which is provided for in legislation relating to Foundations. The Director shall participate in Board meetings and shall have a say but not a vote.

Article 23: Honorary Board Members

The Board may appoint Honorary Board Members from important figures who are prominent as a result of their support of the aims of the Foundation. Honorary Board Members shall have no powers whatsoever apart from the possibility of attending Foundation board meetings.

FIFTH TITLE**ECONOMIC STRUCTURE****Article 24: Key Assets of the Foundation**

The Key Assets of the Foundation are composed of all assets, rights and obligations of economic value which make up the endowment of the foundation, as well as all those acquired by the Foundation after its formation, whether or not they are used as part of the endowment.

Article 25: Endowment of the Foundation

The endowment of the Foundation shall be made up of a set of assets and rights of any kind which are used by the founder or founders in order to fulfil the aims of the foundation, as established in article 4 of the Articles of Association herein, at the time of its constitution, as well as those which, following said constitution, are received for the same purpose or, where applicable, are used as an endowment by resolution of the Board.

Article 26: Financing

In order to carry out its activities, the Foundation shall obtain funding from: resources resulting from the return on its assets; income received from the sale of shares, bonds and other securities, including rights to subscribe to shares which are not exercised by the Foundation; aid, grants, donations, inheritances and bequests which are not specifically allocated as an increase to the endowment of the foundation from individuals or public and private entities; and any other resource which the Foundation may obtain as the owner of its assets, such as intellectual or industrial property rights, or other similar rights. Notwithstanding the above, the Foundation shall not be authorized to carry out temporary risk investments. Likewise, the Foundation may obtain income as a result of its activities, provided that this does not lead to an unjustified limitation in the scope of its possible beneficiaries.

Article 27: Assignment

1. The assets and income of the Foundation shall be understood to be immediately assigned and allocated, without third party intervention, when carrying out the aims of the Foundation.
2. The assignment of the assets of the foundation to the carrying out of the general interest aims of the Foundation shall be joint and undivided; in other words, there shall be no assignment of equal or unequal parts or proportions of the endowment and foundation income to different aims. As a result, the Foundation cannot be obligated to divide or distribute the endowment or income between its various objectives, nor can it be obligated to use them for one or various specific objectives.

Article 28: Administration

The Board shall be authorized to make the required changes to the structure and system of investment of the assets of the Foundation, in accordance with that which is advisable in view of the economic situation at any time and notwithstanding the need to request due authorization or carry out the appropriate communication to the Foundations Commission where applicable.

Article 29: Financial System

1. The financial year of the Foundation shall begin on January 1st and finish on December 31st of each year.
2. The Foundation shall keep those books deemed obligatory in accordance with regulations currently in force as well all others required for the proper order and development of its activities and for the proper monitoring of its accounts.
3. With regard to its economic-financial management, the Foundation shall be governed by the general principles and criteria provided for under current regulations.

Article 30: Preparation of Budgets, Rendering of Accounts and Report of Activities

1. The foundation shall keep ordered, proper accounts of its activity, allowing its operations to be monitored in a chronological order. As a result, a Journal and an Inventory and Annual Accounts Book shall be kept.
2. The President shall prepare the annual accounts, which must be approved within six months following the end of the financial year by the Board of the Foundation. The annual accounts, which include the balance sheet, the profit and loss statement and the annual report, are one unit and must be clearly written and provide a true reflection of the assets, financial situation and results of the foundation. In addition to completing, expanding and commenting on the information contained in the balance sheet and profit and loss statement, the annual report shall include the activities of the foundation, changes in its governing bodies, direction and representation, as well as the extent of compliance with its action plan, indicating the resources used, their origin and the number of beneficiaries for each of the different activities carried out, the agreements, which, where applicable, have been entered into with other entities for these purposes, and the extent of compliance with the regulations established in article 27 of the Law of Foundations. The activities of the foundation shall be listed in detail along with the requirements established in accordance with the regulations. Likewise, an inventory of capital assets shall be included in the annual report, the content of which shall be developed according to the regulations.
3. The Foundation may prepare its annual accounts using abbreviated models as long as it complies with the requirements established in this respect for commercial corporations. Reference to the net amount of annual turnover, as established in commercial legislation, shall be understood as the annual volume of income resulting from non-profit activities plus, where applicable, turnover for commercial activities.
4. The Foundation shall use the simplified accounting model if, at the end of the fiscal year, it has complied with at least two of the following conditions.
 - a) Total assets do not exceed 150,000 euros. For this purpose, total assets shall be understood as the total that appears on the balance sheet.
 - b) The amount of the annual volume of income resulting from non-profit activities, plus, where applicable, the annual volume of income resulting from commercial activities, is less than 150,000 euros.
 - c) The average number of workers employed during the financial year is no more than 5.
5. The annual accounts of the Foundation shall be subject to an external audit if, at the end of the financial year, it has complied with at least two of the following conditions:
 - a) Total assets exceed 2,400,000 euros.

b) The net amount of its annual volume of income resulting from non-profit activities, plus, where applicable, the annual volume of income resulting from commercial activities, is more than 2,400,000 euros.

c) The average number of workers employed during the fiscal year is more than 50. The audit shall be undertaken and carried out in accordance with that which is provided for in Law 19/1988 dated 12 July in relation to the Auditing of Accounts, or in accordance with the Law currently in force which regulates the subject, from the moment the annual accounts are submitted in order to prepare the auditing report. The system for the appointment and revocation of auditors shall be that which is established in the regulations.

6. The conditions referred to in sections 3, 4 and 5 above shall apply as follows:

a) If, at the end of the financial year, the Foundation has fulfilled two of the conditions mentioned, or does not comply with said conditions, said situation shall only produce the effects referred to if said situation is repeated over two consecutive fiscal years.

b) During the first financial year following its constitution or merger, the foundation shall have complied with that which is provided for in the above-mentioned sections, if, at the end of said financial year, it has fulfilled at least two of the three conditions provided.

7. The annual accounts shall be approved by the Board of the Foundation and shall be presented to the Foundations Commission with ten working days following their approval. If applicable, they shall be accompanied by the audit report.

8. During the last three months of each financial year, the Board shall prepare and provide the Foundations Commission with an action plan which shall list the objectives and activities it plans to carry out during the following financial year.

9. If economic activities are carried out, the foundation accounts shall be adjusted in accordance with that which is provided for in the Code of Commerce and consolidated annual accounts shall be prepared in the event that the foundation complies with any of the suppositions in relation to parent companies provided for therein. In any case, detailed information must be included in a specific section of the annual report indicating the different capital assets assigned to commercial activities.

10. If, as a result of changes to current legislation, other documents or different deadlines to those provided for in this article are required, the Board shall at all times comply with that which is established by the law.

SIXTH TITLE

MODIFICATION, MERGER AND TERMINATION

Article 31: Modification of the Articles of Association

1. Following agreement by the Board, the Articles of Association herein may be modified, provided that it is in the interests of the Foundation. Said modification shall occur when the circumstances prevailing over the setting-up of the Foundation have changed to such an extent that the Foundation is unable to act in a satisfactory way under the terms of its current Articles of Association.

2. In order to adopt agreements in relation to the modification of the articles of association, a favourable vote of at least two thirds of all members of the Board shall be required.

3. The modification or new drafting of the Articles of Association agreed to by the Board shall be communicated to the Foundations Commission.

4. The modification or new drafting of the Articles of Association must be formalized in a public deed entered in the Register of Foundations.

Article 32: Merger with another Foundation

1. The Board of the Foundation may suggest the merger of this foundation with another Foundation provided that it is in the interests of this Foundation and both interested foundations are in agreement.
2. The merger agreement must be approved with a favourable vote of at least three quarters of all members of the Board.

Article 33: Termination of the Foundation

The Foundation shall be terminated for those reasons and in accordance with those procedures established by current legislation.

Article 34: Liquidation and adjudication of Assets

1. The termination of the Foundation, unless in the case of a merger with another foundation, shall lead to the opening of liquidation proceedings which shall be carried out by the Board under the control of the Foundations Commission.
2. Assets and rights resulting from the liquidation shall be assigned to other non-profit foundations or entities which pursue general interest aims similar to those of the Foundation and which, in turn, have allocated their assets, including for the case of dissolution, to the attaining of said aims, designated at the appropriate time by the Board, in accordance with that which is provided for in current Legislation.