

Constitution & Terms & Conditions

1. WEEECARE

WeeeCare is a producer compliance scheme as defined in the Waste Electrical and Electronic Equipment Regulations 2006 (as amended). It is operated by WeeeCare Plc (company registration number: 6043169, Registered Address: Richmond House, Garforth, Leeds LS25 1NB); a wholly owned subsidiary of SLI (Holdings) Ltd (company registration number: 3280384; registered office: Richmond House, Garforth, Leeds, LS25 1NB). WeeeCare exists to enable producers of Electrical and Electronic Equipment to meet their obligations under the Regulations.

These are the Constitution and Terms and Conditions of the compliance scheme operated by WeeeCare Plc. Any organisation that is accepted as a member of the scheme shall comply with these Terms and Conditions. Scheme members shall comply with all the requirements of the Regulations as they apply to Producers who place EEE on to the UK market. Scheme members shall also comply with this Constitution and the Terms and Conditions published by WeeeCare; at the total discretion of WeeeCare these may be updated from time to time with the current edition being posted on the WeeeCare website.

2. MEMBERSHIP

2.1 The relationship between WeeeCare Plc and members is a contractual one based on this Constitution and the membership application form (and attendant documents) which is authorised ("signed") by an authorised signatory (as defined in Regulation 11(2)(a) of the Regulations) of the member and signed by WeeeCare Plc. The applicant is not deemed to be a member until the application form has been signed by both parties.

2.2 The scheme is open to all companies that place EEE on to the UK market and covers all categories of household and non-household WEEE to which the Regulations apply. There is no minimum number of members and a maximum of 6000 members will be accepted.

2.3 A company that places EEE on to the UK market may become a member of WeeeCare as a:

- 2.3.1 B2B WEEE member only;
- 2.3.2 B2C WEEE member only; or
- 2.3.3 B2B WEEE and B2C WEEE member.

In the case of 2.3.3 above, a single producer registration will be made with the Environment Agency.

2.4 Membership shall commence from the date of signature by WeeeCare of the application form, and shall continue to be automatically renewed on 31st December of the following year. The member must remain a member of the WeeeCare scheme for a minimum of one compliance period subject to the Terms and Conditions set out in this Constitution. If the member is applying to join the WeeeCare scheme part way through the compliance period, the member must remain a member of the scheme for the remainder of that compliance period in which they join the scheme. This shall continue until and unless terminated by any of the following means:

2.4.1 By WeeeCare notifying the member in writing that termination shall be on a specified date, not earlier than the end of the current compliance period, following a breach by the member of any of its obligations under this Agreement, if such a breach has not been remedied to the satisfaction of WeeeCare within 30 days of such a breach being notified to the member in writing.

2.4.2 By WeeeCare giving notice by 15 July prior to the compliance period end, in writing to the member.

2.4.3 By the member giving notice by 15 July preceding the anniversary of the current membership period in writing to WeeeCare.

2.5 WeeeCare shall provide the member B2B and/or B2C WEEE services to enable the producer of Electrical and Electronic Equipment to meet their obligations under the Regulations subject to the member complying with its obligations under this Constitution. In relation to B2B WEEE services the member agrees to undertake / finance the cost of collection, treatment, recovery and environmentally sound disposal of WEEE unless agreed otherwise in writing with WeeeCare.

2.6 On becoming a scheme member, each company shall provide WeeeCare with the data required on the application form subject to the following provisions:

2.6.1 All data is received by WeeeCare no later than 14 days following the end of each calendar quarter.

2.6.2 The scheme member shall provide WeeeCare with details of its invoiced sales of EEE in the UK in the format of the data table in the application form.

2.6.3 In relation to B2B WEEE, the scheme member shall complete and submit data to WeeeCare (no later than 14 days following the end of the compliance period) in the format of the data table in the application form the total amount of B2B WEEE which has been collected, treated, recovered and disposed of in an environmentally sound manner by the member (or the costs of which have been financed by the member) in the relevant period and such information and evidence as is requested by WeeeCare in relation to the collection, treatment, recovery and environmentally sound disposal of B2B WEEE for inclusion in a declaration of compliance pursuant to the Regulations or otherwise to enable WeeeCare to comply with its responsibilities and obligations in relation to B2B WEEE.

2.6.4 Should any material changes, inaccuracies or omissions to the information provided to WeeeCare be discovered by the scheme member, the member shall immediately notify WeeeCare of the changes that have been identified to enable WeeeCare to meet its obligations under the Regulations.

2.6.5 All data provided to WeeeCare shall be verified, by a Director of the scheme member company or by a Partner where the scheme member is a Partnership, as being as accurate.

2.6.5 Records of all information supplied to WeeeCare will be kept by the scheme member for a period of not less than 4 years, as required by the Regulations.

3. MEMBERSHIP FEES

3.1 Membership fees are in two parts, an annual application fee and the Environment Agency Fee. In addition, charges based on the WEEE obligations and the Category (as listed in Annex 1 of the Regulations) are made; these are separately identified on any invoices. WeeeCare shall give members 60 days notice in writing of any change in its fee structure. Fees and charges are displayed on the WeeeCare website, and are available in writing on request.

3.2 Membership fees are reviewed annually and are based on the costs of administering and maintaining the Scheme, and, in order to reflect the potential obligation arising, on the size of the producer in terms of the amount of EEE placed on the market. WeeeCare membership fees are available upon request and fall within a four tier charging bracket to reflect the cost of administering a scheme member's obligation:

3.2.1 Tier 1 Membership Charge - Micro Producer (an EEE producer with under 1 tonne of EEE output).

3.2.2 Tier 2 Membership Charge - Small Producer (an EEE producer with between 1 and 5 tonnes of EEE output).

3.2.3 Tier 3 Membership Charge - Medium Producer (an EEE producer with between 5 and 50 tonnes of EEE output).

3.2.4 Tier 4 Membership Charge - Large Producer (an EEE producer with over 50 tonnes of EEE output).

3.3 Charges made for meeting the member's obligation to collect, treat, recycle, recover and environmentally-sound dispose WEEE will depend on the type of contract and charging structure chosen by the B2B WEEE and / or B2C WEEE member and are calculated based on either:

3.3.1 A guaranteed fixed cost per tonne fee structure for the compliance period based on the members output in the previous compliance period allowing for variable such as (but not limited to) the amount of EEE placed on to the UK market, life-cycle expectations and the price structures provided by the AATFs, logistics companies, recovery/recycling companies and disposal companies used, or,

3.3.2 A Pay as we go (PAWG) fee structure. In the case of B2C WEEE the PAWG fee structure is based on EEE to WEEE ratios generated from Environment Agency Data and allowing for variables such as (but not limited to) the amount of obligated WEEE collected on behalf of the member and the price structures provided by the AATFs, logistics companies, recovery/recycling companies and disposal companies used, and the efficiency gains obtained by the operation of on-site DCFs. In the case B2B WEEE arisings, the PAWG fee structure is based on commercial rates for the collection, treatment, recovery and environmentally sound disposal of B2B WEEE.

Specific rates for B2B WEEE and B2C WEEE for all 13 categories across both charging structures are available upon request for the current compliance period.

3.4 Payment of fees and charges:

3.4.1 The scheme member shall pay WeeeCare the appropriate annual Environment Agency fee and WeeeCare application fee before registration with the Environment Agency can be made. This will normally be before 15 October of the year prior to the compliance period, although this may be deferred at our discretion.

3.4.2 Should any monies payable by the member to WeeeCare be outstanding for more than 30 days, WeeeCare reserve the right to terminate this agreement as indicated in item 2.4.1 above. WeeeCare reserves the right to take legal action and the full enforcement procedures are detailed in Section 7 of the Constitution.

3.4.3 WeeeCare reserve the right to refuse to register a member with the Environment Agency if the member does not pay all sums due to WeeeCare in accordance with the Constitution and Scheme Terms and Conditions.

3.4.4 Any member joining WeeeCare after the start of a compliance period shall pay the whole of the Agency fee and application fee for that compliance period. The fees shall accompany the application.

3.4.5 Charges for collection, treatment, recycling, recovery and environmentally sound disposal of obligated WEEE will be invoiced to the member quarterly and payment shall be within 30 days of invoice.

3.4.6 Where charges are calculated based on EEE placed on the market in the previous compliance period, they are invoiced after data has been submitted by the member to WeeeCare, and are due to be paid 30 days after the date of the invoice.

3.4.7 WeeeCare reserve the right to alter proforma costs from time to time as deemed necessary.

3.4.8 WeeeCare reserves the right to charge the scheme member for any additional costs of credit control, bank charges and interest charges (at 3% over Barclays Bank rate) relating to overdue members payments of any type.

3.4.9 WeeeCare reserve the right to charge the scheme member for delays in submitting mandatory sales data.

3.4.10 The member will pay all monies due under this Agreement in full, without deduction.

3.4.11 WeeeCare reserve the right to make a reasonable estimate of the member data requirements detailed in section 2.6 if the member does not provide such information to the required standard of accuracy or timeliness and WeeeCare shall be entitled to invoice and the member shall pay WeeeCare based on such estimated information.

4. MEMBERSHIP RULES

4.1 The member shall provide WeeeCare with the information required under the Regulations in connection with its membership of WeeeCare producer compliance scheme. This information is supplied by the member fully completing the application form and annual and quarterly data forms. This information shall be stated to be as accurate as reasonably possible and signed by a senior member of the producer company's management as defined in Regulation 11(2).

4.2 The member shall notify WeeeCare forthwith, and in any case within 28 days, of any material changes in the information previously supplied. This information can be submitted, by e-mail to admin@weeecare.com or by post to the registered address.

4.3 The member shall provide WeeeCare on request, with any other information relating to the producer responsibility obligation, and how this information was collected.

4.4 This information provided by the member shall be, to the best of the member's knowledge, true and accurate having regard to the nature of the request.

4.5 WeeeCare shall keep copies of all documentation from members as required under the terms of the Regulations.

4.6 The member agrees that WeeeCare shall be entitled to provide such information to the Environment Agency or any other such body to which WeeeCare would be obligated.

4.7 Members who wish to manage some or all of their obligations for collection, treatment, recycling, recovery and environmentally sound disposal of WEEE should indicate on application data form B the amounts for which they will take responsibility.

4.8 All evidence notes obtained by members managing their own obligations should be forwarded to WeeeCare for onward transmission as required by the Regulations.

4.9 Producers are allowed, if they so wish, to join one Scheme for household WEEE and another for non-household WEEE. Members should indicate if they are doing this on the application form.

4.10 Members should submit details of quarterly sales by weight and EEE Category and whether household or non-household to WeeeCare by the 15th of the month following the end of the quarter to enable WeeeCare to comply with the requirements of the Regulations for submission of total sales data of Scheme members. This should be done using the same form as used to submit data for the application.

4.11 WeeeCare retain the right to levy charges to the member for additional costs incurred in obtaining quarterly sales data in the event data is not provided by the member within 30 days of the relevant quarter.

4.12 Members should keep records of all information submitted to WeeeCare for a minimum of 4 years, as required by the Regulations.

4.13 Members who supply EEE to the non-household market are required to inform their customers of their membership of the WeeeCare scheme and that at the end of the life of the EEE product(s) the scheme should be contacted for collection. Members are required to provide scheme contact details to the purchaser at the time of sale.

5. CONFIDENTIALITY

WeeeCare will hold all documents and information received by WeeeCare in connection with the performance of the Agreement in strict confidence. Such documents and information will not be disclosed by WeeeCare, its staff or agents to any third party without the permission of the member unless a duty to disclose is imposed under statute or by court order.

6. OBLIGATIONS

6.1 Members:

6.1.1 The member agrees that it will carry out its obligations under the Agreement in compliance with the requirements of the Regulations.

6.1.2 The member agrees that it will allow WeeeCare access to premises and provide relevant information required to undertake a compliance audit from time to time. At least 14 days notice shall be provided to the member of any such audit.

6.2 WeeeCare:

6.2.1 WeeeCare shall carry out its obligations under the Agreement in compliance with the Regulations, furthermore;

6.2.2 WeeeCare has the right to publish the names of the membership of WeeeCare in its annual report and on its website.

7. ENFORCEMENT PROCEDURES

In the event of a breach of member rules or obligations the following enforcement procedures are invoked:

a) Informal telephone or e-mail contact is made with the primary contact of the member organisation in order to rectify the issue.

b) If after 28 days no satisfactory resolution of the breach has been achieved, a formal written request are issued to the member stating exactly what the breach has been and the regulatory impact on the member and the Scheme and asking for the breach to be addressed.

c) If the breach has not been addressed by the member within 14 days of the issuing of the letter, a board member of WeeeCare Plc would, by registered letter, request a meeting with the member who signed the membership application form.

d) If there is no response to the letter, or a timely meeting is not agreed to, or a satisfactory resolution of the breach is not achieved following a meeting, WeeeCare reserves the right to take legal action and to inform the Environment Agency of the situation.

8. DISPUTE & ARBITRATION PROCEDURES

Dispute Procedure

The following is the procedure to be followed in the event of dispute (other than a breach of rules or obligations) between members or between members and the operator of the WeeeCare scheme:

8.1 The party raising the dispute must set out in writing the characteristics or other circumstances (the 'statement of the dispute'), which lead to the dispute.

8.2 The party raising the dispute must send a copy of the statement of the dispute to the other party in the dispute and invite the other party to attend a meeting to discuss the matter.

8.3 The meeting must take place before any action is taken and both parties must take all reasonable steps to attend the meeting. In the case of a members' dispute, a

representative of WeeeCare should attend the meeting. In the case of a dispute between the member and the scheme, either party can nominate another scheme member to attend the meeting.

8.4 The meeting must not take place unless-

(a) the party raising the dispute has informed the other party to the dispute what the basis was for including in the statement under paragraph (1) the ground or grounds given in it, and

(b) the other party to the dispute has had a reasonable opportunity to consider his response to that information.

8.5 The meeting decisions should be minuted by the 'independent' meeting attendee. Arbitration Procedure

8.6 If either party to the dispute is not satisfied by the outcome of the meeting, then the dispute shall be referred to arbitration.

8.7 In the event of a reference to arbitration, the parties to the dispute shall agree an arbitrator or if not agreed within 7 days an arbitrator shall be nominated at the request of either party by the Chartered Institute of Arbitrators.

8.8 The parties to the dispute agree that the decision of the arbitrator shall be final.

8.9 WeeeCare and the members agree that the costs of the arbitrator shall be paid as directed by the arbitrator. The arbitrator's decisions will be further subject to Late Payment Legislation.

9. EVIDENCE NOTE DISTRIBUTION

In the event that approval of the WeeeCare producer compliance scheme is withdrawn by the Environment Agency, previously collected Evidence Notes are distributed to members according to their previous obligated WEEE arisings.

10. COMMUNICATIONS

Important information concerning the scheme and its operation is disseminated to members via e-mail to the nominated contact by the Technical Director of WeeeCare Plc, unless the member prefers other forms of contact. Information will also be disseminated via the WeeeCare website and via regular e-mail newsletters. In addition a dedicated member telephone Helpline is installed. Further information on communications can be seen in the Operational Plan.

11. INDEMNITY

11.1 The member hereby agrees to indemnify WeeeCare from and against all demands, claims, liabilities, losses, damages, costs and expenses whatsoever (including all legal and other costs and expenses) and from and against all actions and proceedings which may be commenced taken or made against WeeeCare arising in relation to or in connection with:-

11.1.1 any material failure by the member duly and punctually to provide any information which the member is obliged to provide under the Conditions

11.1.2 any of the information provided by the member under the Conditions being false, inaccurate, misleading or incomplete in any material respect

11.2 WeeeCare shall not be liable to the member by reason of any representation or any implied warranty condition, or other term, or under any duty at common law, or under the express terms of the Agreement for any consequential loss or damage (whether for loss of profit or otherwise) costs, expenses or other claims for consequential compensation whatsoever) and whether caused by the negligence of WeeeCare its employees or agents or otherwise) which arise directly or indirectly out of or in connection with the performance of the Agreement.

12. DEFINITIONS

"AATF" – Approved Authorised Treatment Facility

"Agreement" - References to "Agreement" in these membership Terms & Conditions shall mean the agreement between the member organisation and WeeeCare constituted by completion of the application form signed by both parties.

"application form" - The application form and any attachments signed by the member and WeeeCare Plc.

"Categories of WEEE" – as shown in Schedule 1 of the Regulations

"B2B WEEE" – WEEE arising from users that are other than private households

"B2C WEEE" – WEEE arising from private households

"Compliance Period" – compliance periods are calendar years.

"Household WEEE" – WEEE arising from private households

"Non-household WEEE" – WEEE arising from users that are other than private households

"DCF" – Designated Collection Facility

"EEE" – Electrical and Electronic Equipment as defined in the Regulations

"Environment Agency" - The Environment Agency of England and Wales

"Environment Agency Fee" – the annual producer charge shown in Regulation 45(2) (as amended).

"Evidence Note" – As defined in Regulation 2

"Producer" - any person who, irrespective of the selling technique used,

(a) manufactures and sells electrical and electronic equipment under his own brand;

(b) resells under his own brand equipment produced by other suppliers,

(c) imports or exports electrical and electronic equipment on a professional basis into a member State;

"Regulations" - The Waste Electrical and Electronic Equipment Regulations 2006, and any subsequent amendments.

"WEEE" – Waste Electrical and Electronic Equipment as defined by the Regulations

"WeeeCare" - The WEEE producer compliance scheme operated by WeeeCare Plc.