

**BY-LAWS of the
COLORADO ASSOCIATION FOR RECYCLING, INC.**

**ARTICLE I
Members**

Section 1.01 Membership. The members of the Corporation shall consist of such individuals, organizations or other entities as are from time to time duly elected to membership as provided in Section 1.02.

Section 1.02 Eligibility and Election of Members. Any individual, organization or other entity shall be eligible to become a member of the Corporation upon compliance with the terms of this Section 1.02. The Board of Directors shall establish (and may from time to time amend or modify) a schedule of dues or charges for membership, payable each year or for such longer or shorter periods as the Board shall determine. The Board may establish different categories of membership, with different dues or charges. Upon the payment by an applicant for membership of appropriate dues they shall become a member of the Corporation in the category, if any, and for the period to which his, her or its payment shall entitle such applicant, starting on the first day of the month which begins after receipt by the Corporation of such payment.

Section 1.03 Resignations. Any member may resign at any time by delivering a written resignation to the Corporation. The acceptance of any such resignation, unless required by the terms thereof, shall not be necessary to make the same effective. Such resignation shall take effect upon the later of the Corporation's receipt of written notice thereof or, if required, its acceptance thereof or such subsequent date as may be set forth in such notice. No resignation shall, however, entitle any member to the refund of any membership dues or charges paid prior to such resignation.

Section 1.04 Termination of Membership. Membership shall be terminated by (a) a member's death or resignation, (b) liquidation or dissolution of a member, (c) the affirmative vote of a two-thirds majority of the Directors then in office, or (d) the expiration of the period for which the dues or charges had been paid.

**ARTICLE II
Meetings of Members**

Section 2.01 Meeting Process. Roberts Rules of Order shall govern all member meetings.

Section 2.02 Place of Meeting. All meetings of the members of the Corporation shall be held at the place (which may be within or outside the State of Colorado) specified in the notice of the meeting or in the waiver of notice thereof.

Section 2.03 Annual Meeting. The annual meeting of the members of the Corporation for the transaction of such business as may properly come before the meeting shall be held on such day as shall from time to time be fixed by resolution of the Board of Directors, at the hour specified in the notice of the meeting or in the waiver of notice thereof.

Section 2.04 Special Meetings. Special meetings of the members of the Corporation may be called at any time by the vote of a majority of the Board of Directors present and voting at a meeting thereof, or by the President, or

by the Secretary or by 10 percent of the members of the Corporation, at such time and place as may be specified in the notice or waiver of notice thereof.

Section 2.05 Special Meeting for Election of Directors. If, for a period of one month after the first scheduled meeting of the calendar year there is a failure to install a sufficient number of Directors to conduct the business of the Corporation, the Board of Directors shall call a special meeting of the members for the election of Directors.

Section 2.06 Notice of Meetings to Members. Notice of each annual or special meeting of the members of the Corporation shall be sent to each member at the mailing or e-mail address of such member as it appears on the records of the Corporation, not less than ten or more than fifty days before the date of the meeting. Notice shall declare the time, date and place of the meeting and, unless it is an annual meeting, indicate that it is being issued by or at the direction of the person or persons calling the meeting. Notice of any meeting need not be given to any member if waived by such member before or after the meeting by any communication method reasonably available. The attendance of any member at a meeting, in person, without protesting prior to the conclusion of the meeting the lack of notice of such a meeting, shall constitute a waiver of notice by such member.

Section 2.07 Quorum. A member vote equal to one-tenth the total number of votes entitled to be cast thereat shall constitute a quorum of members for the transaction of any business at a meeting.

Section 2.08 Voting. A voting member shall be an individual or an organization or business who contributes dues at a level adopted by the Board of Directors. Individual voting members and one representative from each organization or business members shall have voting rights and be eligible to hold office. If the designated voting representative of a member organization is not present to vote, an alternate shall have voting rights providing he/she shall have a written proxy from the member representing that organization or business.

Section 2.09 Proxies. Attendance and voting at any meeting of the members of the Corporation may be in person or by proxy. Proxies for the purpose of voting are allowed under the following conditions: 1) the person giving the proxy and the person receiving the proxy must be members in good standing of the Corporation, 2) all proxies must be in writing, signed by the member giving the proxy and dated, 3) the proxy shall be provided to the Board Secretary at the scheduled meeting during which the vote is to be taken, 4) proxies shall not be extended, and shall be good for not more than one meeting, and 5) proxies are not permitted for Board members.

Section 2.10 Members' Action without Meeting. Whenever the members are required or permitted to take any action by vote, such action may be taken without a meeting. All votes, either electronic or paper, shall be signed and dated by the voting member, and shall comply with the requirements of Section 2.08.

ARTICLE III

Directors

Section 3.01 Powers and Duties. The property, affairs and activities of the Corporation shall be managed and controlled and its powers exercised by the Board of Directors. The Directors shall participate fully in the Corporation's activities. Action by the Executive Committee, or the President if the Director in question is on the Executive Committee, against any Director not performing in accordance with this guidance shall also be in accordance with the Board of Directors' Letter of Commitment.

Section 3.02 Number of Directors. The Board of Directors shall consist of not less than three and not more than fifteen Directors.

Section 3.03 Increase or Decrease in Number of Directors. Subject to the provisions of Section 3.02 hereof, the number of authorized Directors may be increased or decreased by vote of the members, at any annual or special meeting of the members at which a quorum is present, or by vote of a simple majority of the Directors then in office, provided that no reduction in the number of Directors shall affect the term of any incumbent Director.

Section 3.04 Appointment and Election of Directors. The Directors of the Corporation will be elected by secret ballot by a plurality of a quorum vote of members. Results of the election will be announced at the annual meeting. New Directors will hold office until the expiration of the term for which each is elected, and until a successor has been elected and has qualified.

Section 3.05 Qualifications of Directors. All Directors shall be at least 18 years of age and have legal and lawful presence in the United States. Each Director shall have been a member of the Corporation in good standing for no less than one year prior to assuming office, or shall be the officially designated representative of an organization which has been a member of the Corporation in good standing for not less than one year prior to the assumption of office by such Director. However, this requirement may be waived by a two-thirds vote of the nominating committee at their discretion.

Section 3.06 Terms of Office. The Directors of the Corporation shall have three-year terms. Any Director elected to fill an unexpired term (whether resulting from death, resignation or removal or created by an increase in the number of Directors) shall hold office for such unexpired term and thereafter until the successor of such Director is elected and shall qualify. No member of the Board shall serve more than two consecutive three-year terms.

Section 3.07 Resignations. Any Director may resign at any time by delivering a written resignation to the Corporation. The acceptance of any such resignation unless required by the terms thereof, shall not be necessary to make the same effective. Such resignation shall take effect upon the latter of the Corporation's receipt of written notice thereof (or if required, its acceptance thereof) or such subsequent date as may be set forth in such notice.

Section 3.08 Removal. Any Director may be removed at any time either for or without cause by the affirmative vote of two-thirds of all the members of the Corporation entitled to vote given at a meeting the notice or waiver of notice of which shall have specified the proposed removal, or may be removed for cause by the affirmative vote of a two-thirds majority of the Directors then in office. Cause may include violation of the Director responsibilities specified in the Board of Directors' Letter of Commitment.

Section 3.09 Vacancies. If at any time the number of Directors shall for any reason be less than the authorized number, the most recent membership of the Nomination Committee shall, subject to applicable law, recommend candidates to fill the vacancy for the unexpired term to the Board of Directors as soon as is reasonably possible, unless vacancy occurs within two months of the next election of Directors.

Section 3.10 Meeting Process. Roberts Rules of Order shall act as the governing document of all Board of Director meetings.

Section 3.11 Annual Meetings. The annual meeting of the Board of Directors for the transaction of such business as may properly come before it shall be held at the place at which the annual meeting of the members of the Corporation shall be held, and shall be held in conjunction with such meeting.

Section 3.12 Regular Meetings. The Board of Directors from time to time may provide by resolution for the holding of such regular meetings as it may determine and may fix the time and place (which may be either within or outside the State of Colorado) thereof.

Section 3.13 Special Meetings. Special meetings of the Board of Directors may be called at any time by the President, Vice President, or Secretary of the Board of the Corporation at such time and place (which may be either within or outside the State of Colorado) as may be specified in the notice of the meeting or in the waiver of notice thereof. Such meeting may be in person, by conference call or electronically with the possibility of an email vote.

Section 3.14 Notice of Meetings. Notice of any meeting of the Board of Directors or change in the time or place of the meeting shall be distributed to each Director no less than five (5) calendar days prior to the meeting. The notice shall be distributed to the Director pursuant to the contact data included in the records of the Corporation, and sent by any communication method that is reasonably available, or delivered to such Director personally. Notice of any meeting need not be given to any Director, however, if waived by such Director before or after the meeting in writing. No notice need be given of any adjourned meeting.

Section 3.15 Quorum. Except as may be otherwise expressly required by statute, at all meetings of the Board of Directors the presence of fifty percent (other than Honorary Directors), but in no event fewer than two Directors, shall be necessary and sufficient to constitute a quorum for the transaction of business. In the absence of a quorum, a majority of the Directors present at the appointed time and place of the meeting, or, if no Director is present, any officer of the Corporation present thereat, may adjourn the meeting from time to time for a period not exceeding twenty days in any one case. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 3.16 Voting. Except as otherwise expressly required by statute or these by-laws, matters shall be decided by the vote of a majority of the Directors present and voting at a Board of Directors meeting. Policy issues must have a two-thirds majority vote of the currently seated Directors to be considered as supported by the association. Voting by Directors not gathered together in one location can occur by phone, e-mail or other electronic means. Such votes shall be filed with the minutes of the proceedings of the next Board of Directors meeting.

Section 3.17 Honorary Directors. The members of the Corporation may elect any number of Honorary Directors at any annual, regular or special meeting of members. An Honorary Director shall be entitled to attend all meetings of the Board of Directors, but shall not be entitled to vote on any matters submitted to the Board for any other purpose.

Section 3.18 Executive Committee. For matters of expediency the Board of Directors shall designate an Executive Committee consisting of the President, one or more Vice Presidents, Secretary, and Treasurer. The Executive Committee shall be Directors of the Corporation. The Executive Committee shall have all of the authority of the Board of Directors except as otherwise provided by law.

Section 3.19 Virtual Participation. Any one or more members of the Board of Directors or any committee thereof or of the Corporation may participate in a meeting of the Board of Directors or of a committee when they are not gathered in the same location as the remaining members. Participation may be by any communication means that is reasonably available and consistent with the time frame of the meeting. Participation by such means shall constitute presence in person at a meeting.

ARTICLE IV

Officers

Section 4.01 Number of Officers and Qualifications. The officers of the Corporation shall be a President, Past-President, one or more Vice Presidents, a Secretary and a Treasurer, and subordinate officers as may be appointed from time to time in accordance with the provisions of Section 4.03 hereof. Any person may hold any two offices of the Corporation except those of President and Secretary. No person may hold more than two offices. No instrument required to be signed by more than one officer shall be signed by the same individual in more than one capacity.

Section 4.02 Election and Term of Office. The officers (except such officers as may be appointed in accordance with the provisions of Section 4.03 hereof) shall be elected to a one-year term by the Board of Directors . Each officer shall continue in office until the results of the election of officers at the first meeting of the newly elected Board held the following year. Officers will continue to serve until a successor shall have been elected and shall have been qualified, or until the death, resignation or removal of such officer.

Section 4.03 Subordinate Officers. The Board of Directors from time to time may appoint such other officers or agents as it may deem advisable, and may prescribe their respective titles, terms of office, authorities and duties. No such other officer or agent need be a Director or a member of the Corporation.

Section 4.04 Resignations. Any officer may resign at any time by delivering a written resignation to the Corporation. The acceptance of any such resignation, unless required by the terms thereof, shall not be necessary to make the same effective. Such resignation shall take effect upon the *latter* of the Corporation's receipt of written notice thereof or such subsequent date as may be set forth in such notice.

Section 4.05 Removal. Any officer or agent may be removed from the office at any time either for or without cause by the vote of a two-thirds majority of the Directors then in office at any regular or special meeting of the Board of Directors. Cause may include violation of the Director responsibilities specified in the Board of Directors' Letter of Commitment or noncompliance with these By-Laws

Section 4.06 Vacancies. The most recent membership of the Nomination Committee shall, subject to applicable law, recommend candidates to fill any vacancy for any office for the unexpired term to the Board of Directors as soon as is reasonably possible, unless vacancy occurs within two months of the next election of Directors, or otherwise agreed to by the Board of Directors.

Section 4.07 General Powers and Duties. The officers of the Corporation shall have such powers and duties, except as may be modified by the Board of Directors, as generally pertain to their respective offices as well as such powers and duties as from time to time may be determined by the Board of Directors.

Section 4.08 The President. The President shall be the senior officer of the Corporation, shall preside at all meetings of the Board of Directors, if present, other than committee meetings for which the President is not the chair, and shall, in general, perform all duties, such as, carrying out policies and fulfilling the purposes of the Corporation, subject, however, to the control of the Board of Directors. He, or she shall, in general, perform all duties incident to the office of President and such other duties as may be assigned to him or her by the Board of Directors. To be qualified to serve as President, a candidate must have been a CAFR Director for at least one year. If no qualified individual chooses to run for the office of president, then the Nominating Committee must select from offered candidates.

Section 4.09 Executive Committee. The Executive Committee shall consist of the Past-President, President, Vice President(s), Treasurer and Secretary.

Section 4.10 The Past-President. The Past-President shall be the most immediate past President eligible to hold office in the Corporation, and shall provide guidance and counsel to the Board. The Past-President shall serve as the chair of the Nominating Committee during the term of office as Past-President.

Section 4.11 The Vice Presidents. Each Vice President shall have such powers and perform such duties as the Board of Directors may prescribe or as the President may delegate to him or her. At the request of the President, any Vice President may, in the case of the President's absence or inability to act, temporarily act in his or her place. In the case of the death of the President, or in the case of his or her absence or inability to act without having designated a Vice President or Vice Presidents to perform the duties of the President may be designated by the Board of Directors.

Section 4.12 The Secretary. The Secretary shall keep or cause to be kept the minutes of the meetings of the members and of the Board of Directors and cause to have such minutes distributed within 14 calendar days to the Executive Committee and prior to the subsequent meeting to all Directors or available to meeting audience after approval by the Board of Directors at their next meeting.; shall see that all notices are duly given in accordance with Sections 2.06 and 3.14 and as required by law; shall be custodian of the records and of the seal of the Corporation or may appoint such custodian such as the Executive Director, staff or an appropriate contractor; and, in general, shall perform all duties as may be assigned to him or to her by the Board of Directors or by the President

Section 4.13 The Treasurer. The Treasurer shall be the financial officer; shall have charge and custody of, and be responsible for, all funds and deposit all such funds in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors; shall receive and give receipts for moneys due and payable to the Corporation from any source whatsoever; and, in general, shall perform all duties as may be assigned to him or her by the Board of Directors or by the President. These duties may be shared by the President, Membership Committee Chair or other officer, or employee or contractor, as directed by the President. The Treasurer shall render to the President and the Board of Directors, whenever the same shall be required, an account of all his or her transactions as Treasurer and of the financial condition of the Corporation. He or she shall, if required to do so by the Board of Directors, give the Corporation a bond in such amount and with such surety or sureties as may be ordered by the Board of Directors for the faithful performance of the duties of his or her office and for the restoration to the Corporation, in case of his or her death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation.

ARTICLE V

Corporation Staff

Section 5.01 Board of Directors Authority and Responsibility. The Board of Directors has the authority and right to recruit, employ or subcontract, on a part- or full-time basis. The performance and evaluation of these

individuals at contract renewal shall be completed by the Board of Directors annually. If individuals are employed by the Corporation, they shall become staff. If an Executive Director is hired, all non-Executive Director staff will be directed by, and be responsible to, the Executive Director. The Executive Director shall in turn be directed by, and be responsible to, the Board of Directors.

Section 5.02 Hiring and Administration. Corporation staff shall be recruited, interviewed, employed or subcontracted with, and administered by a committee approved by the Board of Directors. All members of this committee shall be current Board Directors.

Section 5.03 Executive Director. If the Corporation employs an Executive Director, the Executive Director shall have the power to administer the day to day operation of the Corporation, as directed by the Board of Directors. This includes the overall management of the Corporation, including management of employees and/or sub-contractors.

Section 5.04 Other Staff or Subcontractors. The Board of Directors may hire additional staff or subcontractors as appropriate.

ARTICLE VI **Committees**

Section 6.01 Corporation Committees and Director Responsibilities. The Board of Directors shall designate those committees needed to conduct the business of the Corporation, and at anytime may add, delete or otherwise revise the functions and titles of said committees as needed. Such committees shall be committees of the Corporation, and their role shall be as advisors to the Board of Directors. Each Corporation committee shall conduct its business in accordance with Board direction, and shall be responsible to the Board in all matters. Each committee shall include as least one current Director.

Section 6.02 Committee Chair Responsibilities. Committee chairs shall be a Corporation member in good standing, be coordinated by the Executive Director if appropriate, and be approved by the Board of Directors. Each committee chair shall ensure that a list of active committee members in his or her committee is maintained, and that an annual plan and annual report is developed at the beginning and end of each budget year.

Section 6.03 Meeting Process. Roberts Rules of Order shall govern committee meetings.

Section 6.04 Committee Voting. Committee voting shall follow the options and procedures described in Section 3.16, unless otherwise agreed to by two-thirds of the committee and approved by the Board of Directors.

Section 6.05 Nominating Committee. It is the duty of the Nominating Committee to recommend candidates for the election to the Board of Directors who reflect the state-wide scope of the Corporation and the diverse range of waste diversion interests and capabilities – including but not limited to state, rural and local government, educational institutions, recycling firms, manufacturers of recycled content products and other businesses and organizations concerned with waste diversion. Members of the Nominating Committee must be members in good standing of the Corporation and include at least one member who is not a member of the Board of Directors and is not a candidate for the Board of Directors. The chair of the Nominating Committee shall be the Past-President of the Corporation, or a current Director if there is not an outgoing President.

Section 6.06 Policy Committee. Any motion regarding policy or legislation must be presented to the Board of Directors and affirmed by a two-thirds majority vote at a Board of Director's meeting to be considered as supported by the Corporation.

ARTICLE VII **Corporate Finance**

Section 7.01 Deposit of Funds. All funds of the Corporation not otherwise employed shall be deposited in such banks or trust companies or with such bankers or other depositories as the Board of Directors from time to time may determine.

Section 7.02 Checks, etc. All checks, drafts, endorsements, notes and evidences of indebtedness of the Corporation shall be signed by such authorized officer(s) or agent(s) of the Corporation and in such manner as the Board of Directors from time to time may determine.

Section 7.03 Contracts. No contracts may be entered into on behalf of the Corporation unless and except as authorized by the Board of Directors, and any such authorization may be general or confined to specific instances.

Section 7.04 Corporation Expenditures. Directors and Board-authorized committee chairs shall spend Corporation funds as approved by the Board of Directors for a specific task, activity or committee. No other member of the Corporation is so authorized. Proper documentation including total due and payee shall be authorized in writing by the President or committee chair as appropriate, and provided to the Treasurer for reimbursement within three months of the expenditure. Any Director may incur miscellaneous reimbursable expenses necessary to conduct Corporation business with Board authorization, as long as documentation is provided.

ARTICLE VIII **Compensation of and Contract with Members, Directors, and Officers:** **Purchase, Sale, Mortgage, or Lease of Real Property.**

Section 8.01 Contracts with Members, Directors and Officers. No member, Director, or Officer of the Corporation shall be interested, directly or indirectly, in any contract relating to the operations conducted by it, nor in any contract relating to the operations conducted by it, nor in any contract for furnishing services or supplies to it, unless such contract shall be authorized by the Board of Directors and unless the fact of such interest shall have been disclosed or known to the Board of Directors at the meeting at which such contract is so authorized.

Section 8.02 Required Vote for Purchase, Sale, Mortgage, or Lease of the Corporation's Real Property. No purchase, sale, mortgage or lease of real property owned by the Corporation shall be made by the Corporation except upon the affirmative vote of a two-thirds majority of the Directors then in office.

ARTICLE IX **Indemnification**

Section 9.01 Indemnification. The Corporation may, to the fullest extent permissible under applicable law, indemnify any person who was or is a party or is threatened to be made a party in any threatened, pending,

contemplated or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such person is or was a Director, officer, employee or agent of the Corporation, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement of or in connection with any such action, suit, or proceeding, provided that such expenses, judgments, fines and amounts are in a reasonable sum and are reasonably incurred.

ARTICLE X
Special Provisions as to Actions of the Corporation

Section 10.01 Actions in Name of Corporation. The Corporation shall act only in its own name, and not in the name of any of its members. Any press release, statement, report, correspondence or other publication of the Corporation shall be issued in the name of the Corporation and not in the name of any of its members; provided, that such press release, statement, report, correspondence or other publication may include the names of the members of the Corporation as of the date of its issuance.

Section 10.02 Litigation Instituted by the Corporation. The initiation of a law-suit by the affirmative vote of a two-thirds majority of the Directors present at any annual, regular or special meeting, provided that the notice or waiver of notice of the meeting shall have summarized the nature of the lawsuit, the claims to be asserted, and the relief to be sought. No lawsuit shall be instituted until at least sixty days after the date on which notice of the possible institution of such lawsuit, containing a brief description thereof, shall have been sent to each member appearing on the books of the Corporation. Any lawsuit by the Corporation shall be conducted by the Corporation in its own name, and not in the name of any of its members.

ARTICLE XI
Exempt Activities

Section 11.01 Exempt Activities. These by-laws and any powers or authorizations contained herein shall be subject to the restrictions and prohibitions contained in the Certificate of Incorporation of the Corporation, and, notwithstanding any other provisions of these by-laws, no member, Director, officer, employee or representative of the Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization which is exempt under Section 501 (c) (3) of the Internal Revenue Code of 1954, as amended, and to which contributions are deductible under Section I 70 (c) (2), 2055 (a) (2) or 2522 (a) (2) of such Code (or the corresponding provisions of any subsequent law.)

ARTICLE XII
Board of Directors Conflict of Interest

Section 12.01 Conflict of Interest Policy.

1. Definitions:

- i. Conflict of Interest shall mean a conflict between the private or business interests of one of the members of the Board of Directors and CAFR's interests including, but not limited to, conducting business with CAFR by supplying goods or services for compensation.
- ii. Compensation shall mean the act of being paid for goods or services.
- iii. Recuse shall mean the disqualifying of a member of the Board of Directors from participating in discussion and/or voting on a matter involving a perceived or actual Conflict of Interest.

2. The Board of Directors recognizes that members of the Board or Officers of CAFR may wish to conduct business with CAFR as a compensated supplier of goods or services. It is not the intent of the Board to discriminate against a supplier solely because he/she is a member of the Board of CAFR; however, the Board cannot permit a conflict of interest or the appearance of a conflict of interest to exist. Therefore, a Board Member who wishes to conduct business with CAFR shall conform to the following Code of Conduct:
 - i. Recuse himself or herself and not be present during any discussion by the Board or committee of the Board related to the matter in which the Board Member has or may have a conflict of interest.
 - ii. Recuse himself or herself and not be present during any voting on any matter in which the Board Member has or may have a conflict of interest.
 - iii. Notify the Board immediately of his or her intention to conform to this Code of Conduct at any time when he or she wants, or anticipates wanting, to conduct business with CAFR.
3. If, in the opinion of the majority of the Board members present at the Meeting, the Board Member's contemplated action(s) can or may result in a conflict of interest or the appearance of a conflict of interest, the Board shall require the Board Member to abide by the Code of Conduct and recuse himself or herself from any discussion and / or vote on the matter.

ARTICLE XIII
Dissolution of Corporation

Section 13.01 Dissolution. In the event of dissolution of the Corporation by a two-thirds vote of the Board of Directors, all assets of the Corporation shall be transferred to another qualified 501(c)(3) organization whose mission statement is similar to the Corporation's.

ARTICLE XIV
Amendments to By-laws

Section 14.01 Amendments. These by-laws may be amended by a majority vote of the members voting at the Annual Meeting or through a written or electronic vote..