

**ARTICLES OF INCORPORATION
OF
THE FREECYCLE NETWORK**

I, the undersigned, form a non-profit private corporation under the laws of the State of Arizona and for that purpose adopt the following Articles of Incorporation.

ARTICLE I - CORPORATE NAME

The name of this Corporation shall be The Freecycle Network.

ARTICLE II - PLACE OF BUSINESS

The principal office and place of transacting the business of the Corporation shall be P.O. Box 294, Tucson, AZ, 85702; however, its Board of Directors may meet for the transaction of business at such other places within or without the State of Arizona as the Directors may from time to time designate.

ARTICLE III - PURPOSE

The purpose for which this Corporation is organized is the transaction of any and all lawful business for which non-profit corporations may be incorporated under the laws of the State of Arizona, as they may be amended from time to time. Said Corporation is organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code, including for such purposes the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code. To the extent that the following conforms to such charitable and educational purposes, the general nature of the business to be transacted by the Corporation is more specifically to educate the public about and promote community reuse and recycling of noncommercial property.

The foregoing enumeration of special powers shall not be deemed to limit or restrict the general powers of the Corporation and the enjoyment and exercise thereof, as conferred by the laws of the State of Arizona under which this Corporation is incorporated.

ARTICLE IV - INITIAL BUSINESS

The character of the business that the Corporation initially intends to conduct in this State is to take all such actions as may be appropriate to accomplish the purposes set forth above.

ARTICLE V - POWERS

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, directors, officers or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code.

ARTICLE VI - MEMBERSHIP

The Corporation is authorized to have one or more classes of members with such rights and privileges as may be determined by the Board of Directors from time to time. No member shall have any right, title or interest in or to the property of the Corporation.

ARTICLE VII - LIQUIDATION

Upon the winding up and dissolution of this Corporation, after paying or adequately providing for the debts and obligations of the Corporation, the remaining assets shall be distributed to a non-profit fund, foundation, or corporation, which is organized and operated exclusively for the support of and promotion of community reuse and recycling as shall at the time qualify as an exempt organization or organizations under Section 501 (c)(3) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code, as the Board of Directors shall determine. Any assets not disposed of shall be disposed of by the Superior Court of the County in which the principal office of the Corporation is then located exclusively for such purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE VII - BOARD OF DIRECTORS

The affairs of the Corporation shall be conducted by a Board of Directors whose number and term shall be provided in the By-Laws of the Corporation. The Board of Directors, or any member thereof, may be removed at any time, with or without cause, by a majority vote of the Board of Directors of the Corporation. The names and address of the initial Board of Directors are Deron Beal, PO Box 294, Tucson, AZ 85702. The initial Board of Directors shall serve as the directors until the first annual meeting of the Board of Directors, or until their successors are duly elected and qualified.

Except as otherwise provided in these Articles of Incorporation, the Board of Directors, by a majority vote of those present at a duly-convened meeting, shall have the power to adopt, amend and rescind the By-Laws for the governing of the Corporation, to fill vacancies occurring in the Board of Directors, or in the offices of the Corporation, from any cause, and to designate such powers and duties for said officers as they may be prescribed.

ARTICLE VIII - EXEMPTION OF PRIVATE PROPERTY

The incorporators, directors, officers, employees and agents of the Corporation and their property shall be forever exempt from liability or assessment for its debts, obligations or engagements.

ARTICLE IX - ELIMINATION OF DIRECTORS' LIABILITY

The personal liability of the directors to the Corporation or its members for monetary damages for any action taken or failure to take any action as a director is eliminated to the fullest extent permitted by applicable law. Neither this provision nor any other provisions in these Articles shall eliminate or limit the liability of a director for any of the following:

- A. The amount of a financial benefit received by a director to which the director is not entitled.
- B. An intentional infliction of harm on the corporation or the members.
- C. A violation of A.R.S. § 10-3833 (liability for unlawful distributions).
- D. An intentional violation of criminal law.

For purposes of this provision, "director" shall include trustees or persons who serve on a board or council of the Corporation in an advisory capacity.

ARTICLE XII - INDEMNIFICATION

The Corporation shall indemnify any person against expenses, including without limitation, attorneys' fees, judgments, fines and amounts paid in settlement, actually and reasonably incurred by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trustor, other enterprise, in all circumstances in which, and to the extent that, such indemnification is specifically permitted and provided for by the laws of the State of Arizona as then in effect. Any indemnification hereunder shall be made by the Corporation only as authorized by the Board of Directors by a majority vote of the quorum consisting of directors who were not parties to the action, suit or proceeding, or if such quorum is not obtainable, as specifically permitted and provided for by the laws of the State of Arizona as then in effect.

ARTICLE XIII - INCORPORATORS

The name and address of the Incorporator are Deron Beal, P.O. Box 294, Tucson, AZ 85702.

ARTICLE XIV - STATUTORY AGENT

The Statutory Agent is James A. Jutry, DeConcini McDonald Yetwin & Lacy, P.C., 2525 E. Broadway Blvd., #200, Tucson, AZ 85716. The Board of Directors may, at their option, revoke such appointment and shall have the power to fill such vacancy.

ARTICLE XV - AMENDMENTS

These Articles of Incorporation may be amended from time to time only by a majority vote of the Board of Directors of the Corporation present, in accordance with procedures set forth in the By-laws of the Corporation, at a duly convened meeting called for that purpose, if a quorum is present and a notice is given as specified in the By-laws of the Corporation.