

Environmental, Health and Safety Compliance and  
Systems Audit in Response to:

Washington State Preferred Performance Measures  
for Direct Processors

WAC 173-900-650

Facility Audited: E-Waste, LLC

Auditor: Validated by Dawn Percy, Responsible Recycling (R2) Auditor

Date: 6/26-27/12

## **Scope of Audit**

This report is custom designed to meet the specific requirements of the State of Washington's "Environmentally Sound Management Performance Measures for Direct Processors – Preferred Status" qualification requirements. Findings were initially audited and documented through the R2 certification renewal audits, performed by Dawn Percy, Lead Auditor representing Perry Johnson Registrars, Inc. All findings meet the WA State standards, WAC 173-900-650 requirements.

The audit preparation included a site inspection with record and document review by Dawn Percy, Lead Auditor, of the E-Waste LLC facility in June of 2012.

12424 Beverly Park Road, A-4  
Lynnwood, WA 98087

During the visit all pertinent operations were observed.

The facility has created an EHSMS in the ISO 14001 protocol and has integrated health and safety into the format. The site completed an R2 Certification audit in 2011 and has since received R2 certification. Included in this facility EHSMS are the State of Washington's "Environmentally Sound Management Performance Measures for Direct Processors – Preferred Status" qualification requirements.

## **Audit Summary**

### *Facility Information:*

12424 Beverly Park Rd, A4  
Lynnwood, WA 98087  
425-239-4118  
www.e-wastes.com

## **SQUWH**

**Size:** 15,000 sq ft.

**Hours: Monday – Friday;** 8:30-4:30, **Saturday;** 8:30-2:30

**Total Employees:** 8 FTEs

The following is a summary of a comprehensive review for compliance of operations in response to the Washington State Department of Ecology Preferred Performance Standards for Direct Processors of Electronics Processors - WAC 173-9000.

### **1.Responsible Management Priorities** – *Facility Maintains Compliance with Standards*

Facility manages all of the requirements of this section through an EHSMS that is modeled to ISO 14001 standard with health and safety added. The auditee evaluates new and modified hazards and environmental risks at least once a year or when a significant change to the process occurs. This process includes identification of the occupational hazards by function and

a ranking based on severity, occurrence, and control. High risks and hazards identified included: CRTs, oil and human caused issues. No new hazards and risks have been identified within the last year. This process is generally effective.

## **2. Legal Requirement - *Facility Maintains Compliance with Standards***

Facility maintains compliance with all legal requirements pertaining to their operations. The EH&S team reviews the Legal and Other Environmental Requirements list at least annually or when a new legal or other requirement is identified. The compliance list appears reasonable (given the size and scope of the organization) and appears to include all relevant, up-to-date regulations and other requirements. The process used to identify applicable new regulatory requirements continues to be generally effective.

## **3. Environmental, Health, and Safety Management Systems –**

*Facility Maintains Compliance with Standards*

Facility's EHSMS is patterned after ISO 14001 with Health and Safety added to address the R2 requirements and WA State Performance Standards requirements. The organization is maintaining its process for review of its EHSMS. Management reviews are held at least annually. The records from the June 2012 audit MRM were reviewed. Records were reasonable and illustrated good discussion about the EHSMS. Facility's monthly inspections include EMS and R2 requirements.

## **4. Recordkeeping – *Facility Maintains Compliance with Standards***

Facility maintains each piece of documentation called for by the R2 practices and WA State Performance Standards requirements through electronic back up and filing cabinets. Initial audit showed that although there appear to be appropriate documents and records, they were not always sufficiently controlled and retrievable. Facility has since reorganized necessary records and documents to be easily retrievable.

## **5. On-site Requirements – *Facility Maintains Compliance with Standards***

Facility has the expertise and technical capability to process each type of equipment, component, and material it accepts in a manner protective of worker safety, public health, and the environment. Storage and labeling remain effective. Facility remains neat and orderly.

#### **6.Materials of Concern** – *Facility Maintains Compliance with Standards*

Materials of Concern are being handled in accordance with R2 and WA State standards.

#### **7.Recycling** – *Facility Maintains Compliance with Standards*

Materials managed to ANSI and OSHA standards - observed during site visit. Auditor observed dismantling and separation to marketable levels for the best use and highest grade of recycling.

#### **8.Reuse** – *Facility Maintains Compliance with Standards*

Initial audit found that although there was a reasonable process in place for reuse testing, there were no records of reuse testing. Facility has since corrected the recording process of reuse testing. Facility's "reuse, recover, disposal" management strategy is consistent with the hierarchy set forth within R2 standards.

#### **9.Disposal of Residuals** – *Facility Maintains Compliance with Standards*

Facility waste management follows state and federal guidelines. No materials of concern go to a landfill or for incineration. Waste is managed and separated to minimize material going to landfill. Currently only wood from television cabinets is sent to waste to energy incineration and MSW to the landfill. Facility's "reuse, recover, disposal" management strategy is consistent with the hierarchy set forth within R2 standards.

#### **10.Refurbishment** – *Facility Maintains Compliance with Standards*

Please note sect. 8.

#### **11.Transport** – *Facility Maintains Compliance with Standards*

Facility maintains appropriate packaging and labeling of all material. Facility uses a WA State DOE transporter to manage outbound shipping. Recycler maintains written documentation or a third-party certification indicating that transporters have all the necessary regulatory authorizations and no significant violations of relevant legal requirements during the past 3 years.

**12.Prison Labor** – *Facility Maintains Compliance with Standards*

Facility does not use prison labor.

**13.Facility Access** – *Facility Maintains Compliance with Standards*

Facility allows WA State DOE full record and site access.

**14.Notification of Penalties and Violations** – *Facility Maintains Compliance with Standards*

Facility agrees to notify WA State DOE of any violations or penalties incurred on behalf of operations within 30 days of notification.

**15.Due Diligence Downstream** – *Facility Maintains Compliance with Standards*

Downstream vendor audits are conducted using State of WA DOE Standards and R2 Requirements. Initial findings indicated that although there was evidence that the organization had some information from the downstream vendors, the DSV information was incomplete with multiple records missing. This has since been corrected, and now documentation of all material through final destination is conducted and records maintained. CRT's are exported to Mexico for processing. Authority of Consent and Competent Authority letters are on file. Circuit Boards are sent to a Washington State metal processor who sends to the EU for final smelter. Batteries and bulbs are managed domestically. All downstream vendor audits are handled in accordance with R2 and WA DOE standards.

**16.Exporting** – *Facility Maintains Compliance with Standards*

Facility is in compliance with WA DOE and FED EPA standards please see above reference to downstream due diligence in regards to all exports.

**17. Insurance** – *Facility Maintains Compliance with Standards*

Facility still possesses adequate Comprehensive or Commercial General Liability Insurance including coverage for bodily injury, property damage, pollutant releases, accidents and other emergencies.

**18. Closure EHSMS and Financial Responsibility** – *Facility Maintains Compliance with Standards*

Facility has an up-to-date written plan and a financial instrument intended to assure proper closure of the facility and to assure against abandonment of any electronics recycling products, components, and materials.

**19. Facility Security** – *Facility Maintains Compliance with Standards*

Facility has a functioning security program that controls access to all parts of the facility. Alarm, Fence, Cameras.

**Table 1 –Disposition of Materials of Concern**

<b>Material</b>	<b>Recycling Process</b>	<b>Fate of Scrap and/or Waste</b>	<b>End-of-life Processing Destination Country</b>
CRT Glass	Removed from monitors and TVs.	Glass to Glass recycling, all materials are re-used in new CRTs.	United States Mexico
Circuit Boards	Removed from CEP by hand-dismantling	Precious metal recovery	United States Europe
Batteries	Removed from CEP by hand-dismantling, sorted by type.	Metal recovery	United States
Mercury Containing Lamps	Removed from CEP by hand-dismantling, managed as universal waste	Mercury recovery	United States
Toners	Removed from printers	Recycled and re-used in re-manufactured toners	United States

**Table 2 – Disposition of Materials of Non-Concern**

<b>Material</b>	<b>Recycling Process</b>	<b>Fate of Recycling Process</b>	<b>End-of-life Processing Destination Country</b>
Steel	Removed from CEP by hand-dismantling.	Metal Recovery	United States
Plastic	Removed from CEP by hand-dismantling.	Plastics Recovery	United States
Insulated Wire	Removed from CEP by hand-dismantling.	Metal Recovery	United States
Aluminum	Removed from CEP by hand-dismantling.	Metal Recovery	United States



# PERRY JOHNSON REGISTRARS, INC.

## *Certificate of Registration*

*Perry Johnson Registrars, Inc., has assessed  
the Environmental, Health and Safety Management System of:*

### ***E-Waste, LLC***

***12424 Beverly Park Road, Suite A4, Lynnwood, WA 98087 United States***

*(Hereinafter called the Organization) and hereby declares that the Organization has been  
audited by an ISO 17021 accredited certification body in conformance with applicable  
ANAB requirements and is found to be in conformance with all requirements of the*

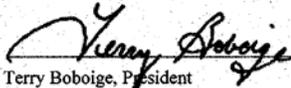
### ***Responsible Recycling® (R2) Rev. 10/2008***

*This Registration is in respect to the following scope of supply:*

### ***Manual Disassembly of Electronics for Material Recovery***

*Such products shall be manufactured by the Organization at, or such processes or services shall be offered at or  
from, only the address given above. This Registration is granted subject to the system rules governing the  
Registration referred to above, and the Organization hereby covenants with the Assessment body duty to observe  
and comply with the said rules.*

For PJR:

  
Terry Boboige, President

Perry Johnson Registrars, Inc. (PJR)  
755 West Big Beaver Road, Suite 1340  
Troy, Michigan 48084  
(248) 358-3388



*The validity of this certificate is dependent upon ongoing surveillance.*

*Effective Date:*  
September 2, 2011

*Expiration Date:*  
September 1, 2014

*Certificate No.:*  
C2011-02147

**CONTRACT FOR DIRECT PROCESSING SERVICES  
BETWEEN THE  
WASHINGTON MATERIALS MANAGEMENT AND FINANCING AUTHORITY  
AND**

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This Contract for Processing Services ("Contract") is made and entered into by and between the Washington Materials Management and Financing Authority, hereinafter referred to as the "AUTHORITY," and the below-named firm, hereinafter referred to as "CONTRACTOR."

CONTRACTOR Name: **E-Waste, LLC**  
Address: **12424 Beverly Park Rd, Suite A4**  
  
City, State & Zip Code: **Lynnwood, WA 98087**  
Phone: **425.239.4118**  
E-mail Address: **paul@e-wastes.com ; sam@e-wastes.com**  
Washington State UBI No.: **602-660-414**  
Federal ID No.: **90 0509685**

**SECTION 1: SERVICES**

1.1 Scope of Work. CONTRACTOR agrees to provide services and staff, and otherwise do all things necessary for or incidental to processing covered electronic products (or "CEPs") provided by the AUTHORITY or an authorized representative. This Contract is not a guarantee of Work or any level of Work during the term hereof. The AUTHORITY reserves the right to procure services from any qualified CONTRACTOR on the basis of the price, quality and convenience of services provided. The scope of this Agreement shall be interpreted to be consistent with applicable law, now and during the term of this CONTRACT.

1.2 Definitions.

1.2.1 Collector. The term "collector" means an entity that is licensed to do business in Washington state and that gathers unwanted covered electronic products from households, small businesses, school districts, small governments, and charities for the purpose of recycling and meets the registration and collector performance standard requirements set forth in WAC 173-900.

1.2.2 Covered Electronic Products. The term "covered electronic products" includes any one of the following four types of products that has been used in Washington state by any covered entity, regardless of original point of purchase: (a) any monitor having a viewable area greater than four inches when measured diagonally; (b) a desktop computer; (c) a laptop or portable computer; or (d) any video display device having a viewable area greater than four inches when measured diagonally.

The term "covered electronic products" does not include: (a) a motor vehicle or replacement parts for use in motor vehicles or aircraft, or any computer, computer monitor, or television that is contained within, and is not separate from, the motor vehicle or aircraft; (b) monitoring and control instruments or systems; (c) medical devices; (d) products including materials intended for use as ingredients in those products as defined in the federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 301 et seq.) or the Virus-Serum-Toxin Act of 1913 (21 U.S.C. Sec. 151 et seq.), and regulations issued under those acts; (e) equipment used in the delivery of patient care in a health care setting; (f) a computer, computer monitor, or television that is contained within a clothes washer, clothes dryer, refrigerator, refrigerator and freezer, microwave

8.1 **Termination.** The AUTHORITY may, in its sole discretion, terminate the Contract, without incurring any termination charges or penalties to the AUTHORITY, by giving CONTRACTOR thirty (30) days' written notice of cancellation. The notice of termination shall specify the date when this Contract or services terminates. The AUTHORITY shall have no responsibility to CONTRACTOR for any services performed by CONTRACTOR after the effective termination date.

8.2 **Termination for Breach.** Either party may terminate this Contract or any services under this Contract upon five (5) days prior written notice if the other party (i) has breached any material provision of this Contract, including non-payment and/or improper partial payment of invoices; or (ii) has violated applicable federal, state, or local laws, ordinances, or regulations. The notice of termination shall specify the date when this Contract terminates and the reason for termination.

**SECTION 9: CONTRACT MANAGEMENT**

The Contract Manager designated below for each party shall be the contact person for all communications and billings regarding the performance of this Contract.

CONTRACTOR Contract Manager	AUTHORITY Contract Manager
<b>Paul Kim , Co-owner</b> <b>E-Waste, LLC</b> <b>12424 Beverly Park Rd, Suite A4</b> <b>Lynnwood, WA 98087</b> <b>Phone: 425.239.4118</b> <b>Fax: 425.329.8979</b> <b>E-mail: Paul@e-wastes.com</b>	<b>John Friedrich, Executive Director</b> <b>Washington Materials Management and</b> <b>Financing Authority</b> <b>P.O. Box 779</b> <b>Woodland, WA 98674</b> <b>Phone: (360) 225-6222</b> <b>FAX: 360-225-6225</b> <b>Cell: (360) 442-1106</b> <b>E-mail: info@wmmfa.net or</b> <b>jfriedrick@wmmfa.net</b>

**SECTION 10: NOTICE**

Except where otherwise expressly authorized, notice shall be by fax, by first class certified or registered mail, or by commercial delivery service issuing a receipt for delivery and addressed as set forth above, unless changed in writing by the party to whom the notice is being sent. Notice shall be effective upon delivery.

**SECTION 11: INDEMNIFICATION**

To the fullest extent permitted by law, CONTRACTOR shall indemnify, defend, and hold harmless the AUTHORITY, the State, agencies of State and all officials, agents and employees of State from all liability of any nature or kind, including costs, expenses, and attorney's fees, for all actions or claims, losses, personal injuries or property damages sustained by any person or property, resulting from or arising out of, directly or indirectly, any error, omission, or negligent or wrongful acts of CONTRACTOR, or any SUBCONTRACTOR, employee, agent, or representative of CONTRACTOR or anyone directly or indirectly employed by them, in the performance of this Contract.

CONTRACTOR expressly agrees to indemnify, defend, and hold harmless the AUTHORITY and State for any claim, expense, fee or penalty arising out of or incident to CONTRACTOR's or any subcontractor's performance or failure to perform the Contract. CONTRACTOR's obligation to indemnify, defend, and hold harmless the State shall not be eliminated or reduced by any actual or alleged concurrent negligence of State or its agents, agencies, employees and officials.

CONTRACTOR waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless State and its agencies, officials, agents or employees.

THIS CONTRACT is executed by the persons signing below, who warrant they have the authority to execute the Contract.

CONTRACTOR

Signature

Owners

Title

11-29-11

Date

Washington Materials Management and Financing Authority

Signature

EXECUTIVE DIRECTOR

Title

12-12-11

Date