

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:	Total Reclaim Inc.
Auditor:	Bob Delich
Date:	05-18-16

Scope of Audit

This custom audit report has been designed to meet the specific requirements of the State of Washington's "Environmentally Sound Management Performance Measures for Direct Processors – Preferred Status" qualification requirements. The WA State standards, WAC 173-900-650, were interpreted and a facility checklist was prepared to meet the standards requirements that related directly to the operations. The audit consisted of confirming the nexus between the two documents and the operations.

Bob Delich of Greeneye Partners performed an onsite audit of the two sites and the trailers located at Harbor Island, to meet the WA State standards, WAC 173-900-650 with a special enfaces on verifying 2015's mass balance report, analyzing facility's closure plan, closure cost estimate and financial instrument.

The facilities are located at:

2200 6th Avenue S
Seattle, WA

1930 6th Avenue S
Seattle, WA

Trailers
Harbor Island, Terminal 10
16th Ave SW
Seattle WA

Audit Summary

Facility Information:

EPA# WAD009482803

Size: 47,000 sq. ft. (2200 6th Avenue S), 25,000 sq. ft. HVAC (1930 6th Avenue S), 33,000 sq. ft. Storage and Flat Panel display devices (1930 6th Avenue S), Trailers – 110 trailers

Facility age: Built 1959

Hours: 7:30am-4:00pm 5 days

Combined sites # of Employees: 75 FT employees

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*

The Facility Maintains the Environmental Management System Manual (EM-01) Section 4.5 – addresses continuous improvement through management and operational evaluations. However, the facility is no longer e-Stewards v2 and ISO 14001:2004 Certified, due to the e-Stewards export non-conformance listed in section 3 below.

2. Legal Requirements – Facility Maintains Compliance with Standards

Facility maintains compliance with all legal requirements pertaining to their operations. Permits and plans are in conformity with actual operations, which were reviewed and confirmed during the original site visit. The facility contracts with a third party audit firm to conduct audits of their downstream vendors to State of WA DOE Spec's - auditor verified audit responses. AOC and letters from importing country were reviewed during the initial audit. Permits and written plans conformity with actual operations reviewed and confirmed during site visit. No new vendors have been added for downstream material and the facility contracts with an independent third party audit company to perform downstream due diligence on all commodities to final destination.

3. Environmental, Health, and Safety Management Systems – Facility Maintains Compliance with Standards

Facility Maintains an Environmental, Health, and Safety Management System, even though the certifications have been removed due to the finding below.

Reviewed Non-conformance Tracking form dated 05-03-16 Finding (NC-01): Standard: 4.4.6.7 (a) Export and Import Controls: “*The Organization shall not allow PCMs and/or HEWs to be exported, directly or indirectly, except as stipulated in 4.3.2.1*” – GPS tracking results [of LCD monitors] indicated that Hazardous e-Waste (HEWs) that came into the control of Total Reclaim were exported by Total Reclaim to Hong Kong. A follow up investigation in Hong Kong at locations where the trackers ended up revealed many Gaylords with Total Reclaim and potentially some of their customers named on the labels on the boxes. These visited facility operators stated on camera that they only import whole equipment and especially LCD monitors.

The following is the corrective action plan that is in the process of being implemented by TRI’s Seattle facility.

Corrective Action Plan: *The following Corrective Action Plan will be implemented:*

Total Reclaim will provide the following strategies for the Corrective Action Plan will be implementation:

- 1) *Manual disassembly of flat panels device*
- 2) *Design and implement an automated (i.e. mechanical) process to manage flat panel devices*
- 3) *Develop a procedure to Manage Flat Panel Devices*
- 4) *Implement and train all process and procedures to Total Reclaim employees*

1) *Manual disassembly of flat panels device*

Develop a LCD triage station

Procure tools and construct a disassembly station.

Vet an appropriate vendor(s) for LCD reuse.

2) *Design and implement an automated (i.e. mechanical) process to manage flat panel devices*

Total Reclaim is developing a process whereby all components within an LCD screen are processed in an emission-controlled production line. TRI shall ensure that this process minimizes environmental impacts and limits human exposure to the mercury hazard intrinsic to LCD monitors. The process shall include

- *Separation and mitigation of mercury within fluorescent backdrop lighting*
- *Maximum protection of employees and the environment*
- *Maximum recovery of raw materials*

3) *Develop a procedure to Manage Flat Panel Devices*

TRI shall develop a procedure for Managing Flat Panel Devices that provides the instructions required to minimize potential environmental health and safety risks associated with the handling, packaging and shipping of flat panel devices for re-use and the proper practices to minimize the potential environmental health and safety risks associated with dismantling flat panel devices with no potential for re-use.

The procedure shall include the following elements:

- *Triage for Reuse*
- *Manual Separation*

- *Mechanical Separation*
- *Training Requirements*
- *Monitoring Requirements*

4) *Implement and train all process and procedures to Total Reclaim employees.*

- *Identify training needs*
- *Develop training plan*
- *Record employee training in Training Database*

Preventive Action Plan (if applicable): *The following Preventive Action Plan will be implemented:*

- *Contract with a 3rd Party Auditor to conduct a thorough inspection of all of our facilities to determine compliance with the E-cycle Washington and E-cycle Oregon programs;*
- *Initiate the process of obtaining ISO 14001:2015, OHS 18001:2007, and R2:2013 registration;*

Auditor observed the following at the TRI Seattle facility as part of the implementation of the corrective action above: See TRI Seattle photos.

1. Auditor observed the new automated system that is used to process flat panel display devices that are larger than 24" in size. The system uses a conveyor to carry the flat panel display devices up into a trommel system. The devices are continually picked up and dropped many times while working its way through the trommel. Most of the devices observed by the auditor were broken apart, resulting in the separation of the fluorescent bulb glass, plastic, circuit boards, metal and projector plastic. The bulb glass was separated for management as intentionally crushed fluorescent lamps and the remaining materials were hand sorted into separate commodities. Any devices that did not separate were rerun through the system or manually separated. The trommel system is connected to an air filtration system, which consists of a pleated filter with air purge, a Hepa filter, and a carbon bed that removes mercury vapors from the process air before being released back into the building. A Jerome meter is used to measure the mercury concentrations in the stack air and warehouse environment and the results are below OSHA action levels.
2. Auditor also observed manual processing of the small flat panel display devices that are 24" or less. TRI said that they plan to eventually be processed using the current larger Trommel System in the main warehouse ("Smasher") after additional modifications and a larger mercury filtration system is installed.

4. Recordkeeping – Facility Maintains Compliance with Standards

TRI's Environmental Management System Manual (EM-01) Section 4.5.4 Control of Records/ EP-08- Control of Records sets forth the policy. Facility has all records available upon request. Auditor verified that documents since 2001 are kept in back-up and removed from site overnight and weekends. Hardcopies from '09 - maintained are on site. **(No change 05-16)**

5. On-site requirements - Facility Maintains Compliance with Standards

Material is handled, packaged, labeled and stored in compliance with standards. Facility manages a 2-3 day turn around on inbound to outbound material transport so as to increase profit margin and maintain necessary space for new material. Site is gated and alarm controlled. Worker safety is protected through engineering controls and was observed by auditor. Workers wear and maintain PPE. The health and Safety training is consistent with requirements for the operation and the facility has systems in place to ensure employee comprehension. IH Monitoring and medical reviews are conducted as appropriate. TRI is pro-active in regards to new processes and appropriate testing is conducted as implementation begins. As a certified e-Steward the facility has committed to monitoring twice annually for 3 years. TRI employ's a highly qualified EHS Manager with extensive EHS experience. **(No change 05-16)**

6. Materials of Concern - Facility Maintains Compliance with Standards

Auditor observed Materials of Concern being handled in accordance with standards. **(No change 05-16)**

7. Recycling – NC-01 In 2015 the site was out of compliance with WAC 173-900-650 Standard and e-StewardsV2. In 2015 the site sent 2,515,853 lbs. of Flat Panel Display devices consisting of LCD monitors, LCD TVs, Plasma TV's and LED TV's, via M-Stream. TRI had approved M-Stream as an approved downstream vendor for plastic, but did not approve M-Stream for Flat Panel Display devices. *(a) **Recycling** (i) A direct processor must remove from CEPs and components destined for recycling any parts that contain materials of concern that would pose a risk to worker safety, public health, or the environment during subsequent processing.*

Reviewed Mass Balance for July of 2015: Starting Inventory = 685,579, Incoming 2,910,416, Outgoing 2,855,462, Ending Inventory = 740,533 and the actual physical inventory 737,954 for a difference of 2,579 (less than 1%). All BOLs matched the product being shipped, except the cover sheet on the mass balance showed "Mixed Plastic" weight for all shipments to M-Stream. Upon reviewing the M-Stream BOLs auditor found that Flat Panel Display devices that were shipped to M-Stream and those weights were included in with the "Mixed Plastic" on the cover page. July had 10 shipments of Flat Panel Display devices, 236,980 lbs. shipped via M-Stream to Hong Kong. Auditor reviewed all shipments via M-Stream in 2015 and created a spreadsheet summary which has a total of 2,515,853 lbs. of Flat Panel Display devices consisting of LCD monitors, LCD TVs, Plasma TV's and LED TV's, via M-Stream

Reviewed Mass Balance for January of 2016: Starting Inventory = 714,938, Incoming 2,190,451, Outgoing 2,012,990, Ending Inventory = 892,399 and the actual physical inventory 867,885 for a difference of 24,514 (3%). TRI stopped shipping Flat Panel Display devices via M-Stream and started using Intelligent Lifecycle Solutions. On 01-21-16 a shipment was sent to Intelligent Lifecycle Solutions: 10 pallets of "Laptops" 13,302 lbs. and 10 pallets of "Monitors" (LCD) 6,704 lbs.

8. Reuse - Facility Maintains Compliance with Standards

The facility meets all of the WA State Processor requirements.

9. Disposal of Residuals - Facility Maintains Compliance with Standards

Facility waste management follows state and federal guidelines as observed by auditor. No materials of concern go to landfill or incineration. Waste is managed and separated to minimize material going to landfill. **(No change 05-16)**

10. Refurbishment - Facility Maintains Compliance with Standards

TRI has a reuse and refurbish department. Auditor observed software to erase hard drives, testing methods for working monitors and repair methods for CPU's and monitors. Sales for refurb and reuse are to individual clients and local non-profit. **(No change 05-16)**

11. Transport – Facility Maintains Compliance with Standards

Auditor observed appropriate packaging and labeling of all material. Facility uses company drivers for most transportation - trains online in DOT procedures - contracts only with Fed Ex and Emerald for other transportation needs - both companies are exceedingly compliant with US DOT reg's. **(No change 05-16)**

12. Prison Labor – Facility Maintains Compliance with Standards

TRI does not use prison labor. **(No change 05-16)**

13. Facility Access – Facility Maintains Compliance with Standards

TRI allows WA State DOE full record and site access. **(No change 05-16)**

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

TRI agrees to notify WA State DOE of any violations or penalties incurred on behalf of operations within 30 days of notification. **No penalties or violations in the last year**

15. Due Diligence Downstream - Facility Maintains Compliance with Standards

Documentation of all material through final destination is conducted and records maintained. CRT's and Circuit Boards are exported and the documentation is in place. Onsite audits performed by an independent auditing firm are used to verify compliance for the circuit board, battery and glass vendors in the downstream material processing chart.

TRI was found to use M-Stream for flat panel display devices, however their audit package shows that M-Stream was only approved for plastic.

16. Exporting – Facility Maintains Compliance with Standards

Facility is in compliance with WA DOE and FED EPA standards. Flat Panel Display devices shipped via M-Stream to Hong Kong is in compliance with export regulation. The Circuit Boards go to an OECD Country – either South Korea or Belgium, processed CRT Glass goes to India and there is a Competent Authority letter on file. All battery chemistries are managed within the US.

17. Insurance - Facility Maintains Compliance with Standards

TRI maintains more than adequate insurance to cover their employees, operations and pollution liability. Auditor has reviewed coverage with an expiration date of 07-01-16.

18. Closure EHSMS and Financial Responsibility – See NC-02 Below

TRI maintains a closure plans with cost estimates for closure, an independent financial mechanism and a designated responsible party to manage the process.

Size: 47,000 sq. ft. (2200 6th Avenue S), 25,000 sq. ft. HVAC (1930 6th Avenue S), 33,000 sq. ft. Storage and Flat Panel display devices (1930 6th Avenue S), Trailers – 110 trailers

The site inventory on 04-30-16 is as follow.

Leaded CRT Glass = 35,100 lbs.

Non-leaded CRT = 28,000 lbs.

Other scrap = 517,505 lbs.

Flat Panel Display devices = 538,438 lbs.

Total Inventory = 1,119,043 lbs.

Estimated electronics in trailers = 708,000 lbs. (59 trailer @ 12,000 lbs. each)

1930 building – The closure cost estimate updated on 11-13-15, reflects the facility and is covered by a Lexon Insurance Company Surety Bond of \$28,803.63.

NC-02 Closure Plan for 2200 building - The closure cost estimate updated on 11-13-14, does not reflect the current inventory of electronics and needs to be updated including: *Estimated electronics in trailers and Flat Panel Display devices to be added line items. Dismantling of electronics*

needs to be updated with current electronics. Labor cost and per lb. processing cost needs to be updated. Lexon Insurance Company Surety Bond is \$66,628.00. TRI is in the process of evaluating the Closure Plan and Closure Cost estimate to reflect current inventory and cost. Once it has been completed they will update the Surety Bond amount.

See Below for *TRIs response to NC-02*

19. Facility Security - Facility Maintains Compliance with Standards

TRI facility is locked and the yard is surrounded by fence with gates. Alarm systems that is monitored 24/7 by a third party. Visitors sign in, are given a badged and are escorted onsite. Employees have key fob access to the building. Keys are used to access Asset Management Department's and storage trailers. Facility has 15 cameras with recordings stored on a DVR for 14 days.

Findings Summary with Progress on Corrective Action Plan and Responses

NC-01 In 2015 the site was out of compliance with WAC 173-900-650 Standard and e-StewardsV2. In 2015 the site sent 2,515,853 lbs. of Flat Panel Display devices consisting of LCD monitors, LCD TVs, Plasma TV's and LED TV's, via M-Stream. TRI had approved M-Stream as an approved downstream vendor for plastic, but did not approve M-Stream for Flat Panel Display devices. (a) **Recycling (i)** A direct processor must remove from CEPs and components destined for recycling any parts that contain materials of concern that would pose a risk to worker safety, public health, or the environment during subsequent processing.

TRIs progress on the Corrective Action Plan - Finding (NC-01):

Corrective Action Plan: The following Corrective Action Plan will be implemented:

1) Manual disassembly of flat panels device

- Develop a LCD triage station – **Initial setup and manual disassembly complete. Stations were moved to 1930 near the Dytek trommel. Manual disassembly ongoing.**
- Procure tools and construct a disassembly station. – **Initial setup and manual disassembly complete. Stations were moved to 1930 near the Dytek trommel. Manual disassembly ongoing.**
- Vet an appropriate vendor(s) for LCD reuse – **ILS being utilized for outside LCD reuse. Obtained Greeneye 3rd party audit package of ILS indicating practices conform with R2. A total of 5 shipments sent out, to date.**

2) Design and implement an automated (i.e. mechanical) process to manage flat panel devices

Total Reclaim is developing a process whereby all components within an LCD screen are processed in an emission-controlled production line. TRI shall ensure that this process minimizes environmental impacts and limits human exposure to the mercury hazard intrinsic to LCD monitors. The process shall include

- Separation and mitigation of mercury within fluorescent backdrop lighting – **The Dytek trommel is operational, and testing ongoing. Conveyors were extended to facilitate sorting and minimize employee proximity to trommel. Carbon beds were installed to capture mercury. Jerome meter readings used to detect airborne mercury. Process has been observed by WA Dept. Ecology. Further testing is ongoing.**
- Maximum protection of employees and the environment – **Conveyors were extended to minimize employee proximity to trommel. Carbon beds were installed to capture mercury. Jerome meter readings used to detect airborne mercury. Process has been observed by WA Dept. Ecology. Further testing is ongoing. In full operation during auditor's visit on 5/18/16.**
- Maximum recovery of raw materials – **Conveyor outfeed goes along a pickline to maximize recycling. Mercury levels are tested and recorded. Broken fluorescent lamps from devices have been designated and are managed as Hazardous Waste – manifested to EcoLights for recycling as Intentionally Crushed Lamps.**

3) Develop a procedure to Manage Flat Panel Devices

- TRI shall develop a procedure for Managing Flat Panel Devices that provides the instructions required to minimize potential environmental health and safety risks associated with the handling, packaging and shipping of flat panel devices for re-use and the proper practices to minimize the potential environmental health and safety risks associated with dismantling flat panel devices with no potential for re-use. – **A draft procedure is in place for manual Flat Panel teardown. Additional procedures to be developed for operating the Dytek trommel with monitoring methods/frequencies. Proposed completion 5/31/16**

4) Implement and train all process and procedures to Total Reclaim employees.

- Identify training needs – **Procedures for Triage for Reuse, Manual teardown and Dytec operation needed. (OJT likely to be utilized as preferred training method). Proposed completion 5/31/16.**
- Develop training plan –**Proposed completion 5/31/16.**
- Record employee training in Training Database –**Proposed completion 5/31/16.**

Preventive Action Plan (if applicable): The following Preventive Action Plan will be implemented:

- Contract with a 3rd Party Auditor to conduct a thorough inspection of all of our facilities to determine compliance with the E-cycle Washington and E-cycle Oregon programs; – **Greeneye audit conducted at TRI-WA 5/18/16 and TRI-OR 5/19/16.**
- Initiate the process of obtaining ISO 14001:2015, OHS 18001:2007, and R2:2013 registration – **Quotes obtained and approved from SAI for 14001 and 18001. R2 pending. Gap analysis for 14001:2015 and 18001:2007 complete. Need to begin revisions to be ready for the readiness review.**

We would also like to add a new element to the Preventative Action Plan to ensure that the non-conformance never happens again, such as a monthly mass balance review by a 3rd party.

NC-02 Closure Plan for 2200 building - The closure cost estimate updated on 11-13-14, does not reflect the current inventory of electronics and needs to be updated including: *Estimated electronics in trailers and Flat Panel Display devices to be added line items. Dismantling of electronics needs to be updated with current electronics. Labor cost and per lb. processing cost needs to be updated.* Lexon Insurance Company Surety Bond is \$66,628.00. TRI is in the process of evaluating the Closure Plan and Closure Cost estimate to reflect current inventory and cost. Once it has been completed they will update the Surety Bond amount.

TRIs response - Finding (NC-02):

The closure cost estimate was updated on 05-25-16 and has an amount of \$180,928.00 (See attached Seattle 2200 building Closure Cost Estimate). This Closure Cost Estimate has been updated to reflect worse case scenarios, base on TRI's 2200 building's current operation. TRI is in the process of updating the Lexon Insurance Company Surety Bond to \$180,928.00.

Auditor Qualifications

The audit was conducted by Bob Delich an ISO 9001, ISO 14001, OHSAS 18001, e-Stewards and R2 internal auditor. The auditor was trained to the requirements of State of Washington's DOE by Kelley Keogh the Co-Founder/Managing Director of Greeneye Partners, LLC. Their main body of work is in the electronics processing and recycling fields. The State of Washington's DOE maintains Kelley Keogh's auditor qualifications on file.

Attachments

TRI Seattle photos (showing LCD processing)

TRI Seattle 2200 Building Closure Cost Estimate 05-25-16

WA State Compliance Audit - TRI 05-18-16

End Destination Table Date of Last Review: 6/1/2016

<u>Recycling Process or Material</u>	<u>Waste Category</u>	<u>Waste Transfer Site or Intermediate Processing Site</u>	<u>Waste Transfer Site or Intermediate Processing Site</u>	<u>Ultimate Disposal Site & Disposal Method</u>
<u>Glass/CRT</u>	<u>FM/MOC</u> <u>Non-Regulated RCRA – Exempt</u>	<u>USA</u>	<u>Cullet washing</u> <u>Mexico</u>	<u>CRT to CRT Glass Recycling</u> <u>India</u>
<u>Glass/CRT</u> <u>Lead-Bearing</u>	<u>FM/MOC</u> <u>Non-Regulated RCRA – Exempt</u>	<u>Consolidation & Quality Control</u> <u>Canada</u>	<u>N/A</u>	<u>Lead Recovery</u> <u>Canada</u>
<u>Glass/CRT</u> <u>Lead-Bearing</u>	<u>FM/MOC</u> <u>Non-Regulated RCRA – Exempt</u>	<u>N/A</u>	<u>N/A</u>	<u>CRT to CRT Glass Recycling</u> <u>Spain</u>
<u>Recycling Process or Material</u>	<u>Waste Category</u>	<u>Waste Transfer Site or Intermediate Processing Site</u>	<u>Waste Transfer Site or Intermediate Processing Site</u>	<u>Ultimate Disposal Site & Disposal Method</u>
<u>Batteries</u> ▪ <u>Lead Acid Wet or dry</u>	<u>FM/MOC</u> <u>Non-Regulated RCRA – Exempt</u>	<u>Intermediary</u> <u>USA</u>	<u>USA</u>	<u>Recycling</u> <u>USA</u>
<u>Batteries</u> ▪ <u>Ni-Cad (Wet/Dry)</u> ▪ <u>Nickel Metal Hydride</u> ▪ <u>Alkaline</u> ▪ <u>Lithium</u> ▪ <u>Lithium Ion</u> ▪ <u>Mixed Batch</u>	<u>FM/MOC</u> <u>Universal Waste</u>	<u>N/A</u>	<u>N/A</u>	<u>Recycling</u> <u>USA</u>

<u>Batteries</u> ▪ <u>Lithium Ion</u>	<u>FM/MOC</u> <u>Universal Waste</u>	<u>N/A</u>	<u>N/A</u>	<u>Waste Batteries – Recycling</u> <u>USA</u>
<u>Batteries</u> ▪ <u>Alkaline</u>	<u>FM/MOC</u> <u>Non-Regulated</u>	<u>N/A</u>	<u>N/A</u>	<u>Recycling</u> <u>USA</u>
<u>Recycling Process or Material</u>	<u>Waste Category</u>	<u>Waste Transfer Site or Intermediate Processing Site</u>	<u>Waste Transfer Site or Intermediate Processing Site</u>	<u>Ultimate Disposal Site & Disposal Method</u>
<u>Circuit Boards</u>	<u>FM/MOC</u> <u>Non-Regulated</u>	<u>Broker</u> <u>USA</u>	<u>N/A</u>	<u>Precious Metal Recovery</u> <u>Japan</u> <u>Korea</u>
<u>Circuit Board (Processors)</u>	<u>FM/MOC</u> <u>Non-Regulated</u>	<u>N/A</u>	<u>N/A</u>	<u>Precious Metal Recovery</u> <u>USA</u>
<u>Circuit Boards</u>	<u>FM/MOC</u> <u>Non-Regulated</u>	<u>Broker</u> <u>USA</u>	<u>N/A</u>	<u>Precious Metal Recovery</u> <u>Korea</u> <u>Japan</u>
<u>Circuit Boards</u>	<u>FM/MOC</u> <u>Non-Regulated</u>	<u>Broker</u> <u>Japan</u>	<u>N/A</u>	<u>Precious Metal Recovery</u> <u>Japan</u> <u>Korea</u>

<u>Circuit Boards (Memory)</u>	<u>FM/MOC Non-Regulated</u>	<u>Broker USA</u>	<u>N/A</u>	<u>USA</u>
<u>Recycling Process or Material</u>	<u>Waste Category</u>	<u>Waste Transfer Site or Intermediate Processing Site</u>	<u>Waste Transfer Site or Intermediate Processing Site</u>	<u>Ultimate Disposal Site & Disposal Method</u>
<u>Circuit Boards (Memory)</u>	<u>FM/MOC Non-Regulated</u>	<u>Broker USA</u>	<u>USA</u>	
<u>Ink and Toner Cartridges</u>	<u>Problematic Components or Materials (PCM)</u>	<u>N/A</u>	<u>N/A</u>	<u>Cartridges for Recycling USA</u>
<u>Ink and Toner Cartridges</u>	<u>Problematic Components or Materials (PCM)</u>	<u>N/A</u>	<u>N/A</u>	<u>Cartridges for Recycling USA</u>

<u>Recycling Process or Material</u>	<u>Waste Category</u>	<u>Waste Transfer Site or Intermediate Processing Site</u>	<u>Waste Transfer Site or Intermediate Processing Site</u>	<u>Ultimate Disposal Site & Disposal Method</u>
<u>Glycol/Projection Tube Coolant</u>	<u>Problematic Components or Materials (PCM)</u>	<u>Intermediary USA</u>	<u>Bulking/Blending USA</u>	<u>Antifreeze Recycling USA</u>
<u>Plastics</u>	<u>Problematic Components or Materials (PCM)</u>	<u>Intermediary USA</u>	<u>N/A</u>	<u>Recycling China</u>
<u>Plastics</u>	<u>Problematic Components or Materials (PCM)</u>	<u>Intermediary Canada</u>	<u>N/A</u>	<u>Recycling China</u>
<u>Plastics</u>	<u>Problematic Components or Materials (PCM)</u>	<u>Intermediary USA</u>	<u>N/A</u>	<u>Recycling China</u>
<u>Plastics</u>	<u>Problematic Components or Materials (PCM)</u>	<u>Intermediary USA</u>	<u>N/A</u>	<u>Recycling China</u>
<u>Reuse/Refurbisher</u>	<u>Fully tested and Functional Refurbished equipment for resale</u>	<u>N/A</u>	<u>N/A</u>	<u>USA</u>
<u>Reuse/Refurbisher</u>	<u>Fully tested and Functional Refurbished equipment for resale</u>	<u>N/A</u>	<u>N/A</u>	<u>USA</u>
<u>Reuse/Refurbisher</u>	<u>Refurbished equipment for resale</u>	<u>N/A</u>	<u>N/A</u>	<u>USA</u>

<u>Recycling Process or Material</u>	<u>Waste Category</u>	<u>Waste Transfer Site or Intermediate Processing Site</u>	<u>Waste Transfer Site or Intermediate Processing Site</u>	<u>Ultimate Disposal Site & Disposal Method</u>		
<u>Reuse/Refurbisher</u>	<u>Refurbished equipment for resale</u>	<u>N/A</u>	<u>N/A</u>	<u>USA</u>		
<u>Reuse/Refurbisher</u>	<u>Refurbished equipment for resale</u>	<u>N/A</u>	<u>N/A</u>	<u>USA</u>		
<u>Reuse/Refurbisher</u>	<u>Refurbished equipment for resale</u>	<u>N/A</u>	<u>N/A</u>	<u>USA</u>		
<u>Fluorescent light tubes and Mercury Bearing Products</u>	<u>FM/MOC Universal Waste</u>	<u>USA</u>	<u>N/A</u>	<u>For Mercury Phosphor Powder and Mercury Bearing Products please see below.</u>		
<u>Mercury Bearing Products</u>	<u>RCRA</u>	<u>Intermediary USA</u>	<u>Intermediary USA</u>	<u>Intermediary USA</u>	<u>Mercury Retort USA</u>	<u>Rare Earth Metal Recovery USA</u>
<u>PCB-Containing Ballasts</u>	<u>TSCA</u>	<u>Intermediary USA</u>	<u>Intermediary USA</u>	<u>Dismantling USA (Disassembly and Metals recycling)</u>	<u>Incineration – PCB Capacitors & Potting Compound USA</u>	
<u>Metals –</u>	<u>Non-Regulated</u>	<u>NA</u>	<u>NA</u>	<u>Recycling USA</u>		

Recycling Process or Material

Metals – Non Ferrous

Waste Category

Non-Regulated

Waste Transfer Site

NA

Ultimate Disposal Site & Disposal Method

Recycling
USA
Canada

Glass – Non Lead Bearing

Non-Regulated

NA

Glass to Concrete Aggregate
USA

Solid Waste –

- Off-spec Plastic
- Off-spec Wood

Non-Regulated
Municipal Solid Waste

NA

Energy Recovery
USA

**CONTRACT FOR DIRECT PROCESSING SERVICES 2016
BETWEEN THE
WASHINGTON MATERIALS MANAGEMENT AND FINANCING AUTHORITY
AND
TOTAL RECLAIM, INC**

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:	Total Reclaim, Inc.
Address:	2200 – 6 th Avenue S
City, State & Zip Code:	Seattle, WA 98134
Phone:	(206) 343-7443
E-mail Address:	clorch@totalreclaim.com
Washington State UBI No.:	801-350-223
Federal ID No.:	91-1538635

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 including a portable DVD player, e-reader or tablet device.

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

oven, conventional oven or range, dishwasher, room air conditioner, dehumidifier, or air purifier; automatic teller machines, vending machines or similar business transaction machines; or (g) hand-held portable voice or data devices used for commercial mobile services as defined in 47 U.S.C. Sec. 332 (d)(1).

1.2.3 Covered Entity. The term "covered entity" means any household, charity, school district, small business, or small government located in Washington state.

1.2.4 Direct Processor. The term "direct processor" means a processor contracted with a CEP recycling plan to provide processing services for the plan.

1.2.5 Processing Facility. The term "processing facility" means a facility where the processing of CEPs for a plan is conducted by a direct processor.

1.2.6 Processor. The term "processor" means an entity: (a) engaged in disassembling, dismantling, or shredding electronic products to recover materials contained in the electronic products and preparing those materials for reclaiming or reuse in new products in accordance with processing standards established by this chapter; and (b) that may salvage CEPs, components, and parts to be used in new products.

1.2.7 Processing. The term "processing" means disassembling, dismantling, or shredding electronic products to recover materials contained in the CEPs received from registered collectors or transporters and preparing those materials for reclaiming or reuse in accordance with the performance standards for direct processors set forth in this Contract.

1.2.8 Transporter. The term "transporter" means an entity that transports covered electronic products from collection sites or services to processors or other locations for the purpose of recycling, but does not include any entity or person that hauls their own unwanted electronic products.

SECTION 2: PERIOD OF PERFORMANCE

The period of performance under this Contract will be from January 1, 2016, through December 31, 2016. The AUTHORITY shall have the option of renewing the Contract for additional annual periods.

SECTION 3: RECEIPT OR DELIVERY OF COVERED ELECTRONIC PRODUCTS

3.1 Delivery. The AUTHORITY shall deliver covered electronic products to CONTRACTOR at those times and places, in those quantities, and in the manner agreed to by AUTHORITY and CONTRACTOR. CONTRACTOR's receipt of covered electronic products at its processing facilities and CONTRACTOR's taking of possession and control of covered electronic products at the point of delivery shall constitute acceptance of covered electronic products for the purpose of processing.

3.2 Examination of Materials. The AUTHORITY shall permit CONTRACTOR reasonable access to delivered covered electronic products for purposes of examining and sampling prior to accepting the covered electronic products. CONTRACTOR shall accept conforming covered electronic products which have been tendered and delivered in conformance with this Contract.

3.3 Documents. For each delivery of covered electronic products to the CONTRACTOR, the AUTHORITY or its authorized representative shall provide CONTRACTOR those completed documents, shipping papers or manifests as are required for lawful transfer of the covered electronic products to CONTRACTOR at the point of delivery. Such documents shall meet applicable federal, state or local rules and regulations, including, but not limited to, the Electronic Products Recycling Act, RCW 70.95N, et seq., Hazardous Materials Transportation Act, 49 U.S.C. §§1801, et seq., as amended, the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq., as amended, and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§ 6901 et seq., as amended.

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
Craig Lorch, Vice President Total Reclaim, Inc. 2200 – 6 th Avenue S Seattle, WA 98134 Phone: (206) 343-7443 Fax: (206) 343-7445 Cell: (206) 999-9190 E-mail: clorch@totalreclaim.com Website: www.totalreclaim.com	John Friedrich, Executive Director Washington Materials Management and Financing Authority 116 N. Oakes Ave. Ste B Cle Elum, WA 98992 Phone: (509) 674-5871 Fax: (509) 674-5350 Cell: (360) 442-1106 E-mail: info@wmmfa.net or jfriedrick@wmmfa.net

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

Washington Materials Management and Financing Authority



Signature
VICE PRESIDENT 12/28/15

Title Date



Signature
EXEC. DIRECTOR 12/29/2015

Title Date