

### QEH&S Policy with R2 Requirements

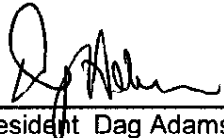
The nature of LifeSpan Technology Recycling's operations has a positive impact on the environment through the conservation of metals, plastic and other non-renewable resources and the proper management of used and end-of-life electronic equipment. Consistent with these core operations, it is LifeSpan Technology Recycling's overall goal to accomplish its business objectives while striving for an injury-free workplace, minimizing pollution, and providing quality products to our customers.

It is our intention to:

- Develop and maintain quality, environmental, health & safety and security programs that conform to the best practices within the scrap and electronics recycling industry;
- Comply with all relevant environmental, health & safety laws and regulations, including federal, state and local and other requirements;
- Comply with all relevant regulations of the countries importing equipment, components, or materials containing FMs that have passed through our facility or control;
- Comply with customer and product requirements and industry guidelines, including the Responsible Recycling (R2) practices;
- Manage used and end-of-life electronics equipment, components and materials based on a hierarchy of first, reuse/refurbish; second, materials recovery; and finally, energy recovery/disposal;
- Manage the R2 focus materials that pass through our facility or control in a manner protective of worker health and safety, public health and the environment;
- Prevent workplace injuries by providing a safe environment for employees, contractors, visitors, volunteer workers, temporary workers and anyone else performing activities under our direction;
- Investigate any workplace accidents, illnesses and near-misses, and promptly correct any unsafe condition or practice;
- Promote prevention of pollution in all of our operations, including the elimination of electronics waste from landfills;
- Work with our entire recycling chain including downstream vendors, suppliers, customers and contractors to fulfill our environmental, health & safety goals; and
- Continually improve our quality, environmental, and health & safety programs and resulting performance.

We recognize that the responsibilities for quality, environment, health & safety and security are shared, requiring cooperation, not only between employees and their supervisors, but among and between all those who assume the various roles within the company.

LifeSpan Technology Recycling will continually improve its QEH&S system and performance. This will include the setting of QEH&S goals, taking into consideration our QEH&S footprint and our business, financial, operational and legal requirements as well as the views of interested parties.

  
\_\_\_\_\_  
President Dag Adamson                      4-9-10                      Date

## Reuse Policy with R2 Requirements

Reuse before recycling is our preference, but only if it meets our other policies and the customer's needs/policies. With client authorization, LifeSpan may also reuse components of larger assemblies. Some clients designate that we destroy the whole units, including components such as memory, chips, etc. in which case we will not reuse the unit or any component of that unit. Only whole, tested, wiped, working units or components will be designated for reuse. An exception is for LCD's or Laptops that are designated for refurbishment. We may ship to North American wholesalers, global markets, LifeSpan store fronts, or use E-bay sales.

1. LifeSpan will utilize recycling and resale facilities that contractually commit to comply with all local, state, federal and international laws when we sell over 15 units (e.g. Bills of Sale and/or Sales Terms and Conditions). If a waste is created during the sale, it will be handled in accordance with all regulatory and R2 requirements, and documented accordingly.
2. LifeSpan will track by project number the destination of all reuse material. In addition, Lifespan will reconcile all shipping and receiving documentation in order to ensure that inbound quantities match outbound shipments. Each reuse transaction is tracked by serial #'s when possible and by weight and/or unit count.
3. When authorized by our customers, LifeSpan may export complete systems or electronics components. The product must be tested and confirmed to be working in its original intended purpose. If it fails testing, it will be demanufactured and recycled. (LCD's and Laptops are an exception. They must sell for more than scrap value and have documented proof that any waste created from refurbishment will be handled in accordance with International, Federal, State, and local laws. )
4. LifeSpan will transport all reuse equipment, components, and materials using entities that have the necessary regulatory authorizations and in a manner protective of public health and the environment.

## R2 REQUIREMENTS PROVISION 6

General Principle: LifeSpan shall refurbish as needed, properly test, and adequately package equipment and components going to reuse.

R2 Practices:

(a) An R2 electronics recycler shall not allow equipment or components to be sold or donated for reuse if contrary to commercial agreements. **–LifeSpan has an implemented procedure that all Reuse/Resale transactions have a BOL and/or Master Services agreement in place.**

(b) An R2 electronics recycler shall, with respect to equipment and components it ships downstream:

(1) Label and sort each shipment in a manner sufficient to track throughput in conformity with Provision 7. **– LifeSpan tracks all materials in an external database, tracking origin or plant material to 1<sup>st</sup> tier vendor.**

(2) Handle and package shipments in conformity with Provision 12. **– LifeSpan has in place a procedure for packaging reuse materials.**

(c) An R2 electronics recycler, prior to shipping equipment and components (except equipment and components that are new and in their original packaging) that contain FMs and that will be reused as is or repaired, refurbished, or remanufactured, shall:

(1) Utilize effective testing methods to confirm that the Key Functions of the equipment **(-Lifespan has a 'Testing for Key functions' procedure in place or components are working properly, OR**

(2) Determine that the recipient vendor is a certified R2 electronics recycler (*-LifeSpan's reuse vendors are usually not R2 certified*), **OR**

(3) Confirm through an appropriate combination of contractual agreements, detailed materials tracking and recordkeeping, and auditing that:

(A) The equipment or components meet the specifications of the recipient vendor, **and**

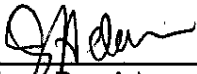
(B) The recipient vendor sells the equipment or components for reuse, with their Key Functions functioning properly, **and**

(C) The recipient vendor manages all residual FMs resulting from refurbishing operations in a manner that conforms to the R2 Practices.

(d) An R2 electronics recycler need not conform to Section (c) for shipments of less than 15 units that either are going to a new vendor as a sample for purposes of evaluation of whether to purchase larger quantities for refurbishment or that are being sold with a practical return policy to an end user. This Section (d) does not apply to multiple sales or shipments within a proximate timeframe to the same entity.

(e) An R2 electronics recycler need not conform to the downstream requirements of Provision 5 for shipments that satisfy the requirements of Section (c) or (d), or are new and in their original packaging.

(f) An R2 electronics recycler need not conform to the exporting requirements of Provision 3 (a) (2) for shipments that satisfy either the functionality requirement of Section (c) (1) or the requirements of Section (d), or are new and in their original packaging.

  
\_\_\_\_\_  
President Dag Adamson                      4.9.10                      Date

## LifeSpan's Environmental Policy

LifeSpan's Environmental Policy is based upon the following principles:

LifeSpan has developed, and shall document, fully implement, and review at least annually, and update as needed (e.g., as products and/or technologies change) a written Quality, Environmental, Health and Safety Management System (QEHS) that:

- Includes written goals and procedures and requires the organization to systematically manage its environmental, health, and safety matters, and
- Is based on a "Plan-Do-Check-Act" model

Senior Management (CEO and CFO) and Senior Management EHS Representative (VP Operations) will support and provide adequate resources to the QEHS. LifeSpan's QEHS shall be managed by a designated Management Representative (Environmental Director) who has the responsibility to lead, plan, enforce, and maintain the QEHS program. The QEHS program will also be supported by the QEHS support team (Managers- sales, downstream, warehouse, logistics).

LifeSpan will manage the retirement of electronic equipment and components so as to balance financial objectives of our customers with the mitigation of reputation, environmental, and data security risks. Furthermore, LifeSpan will manage used and end-of-life electronic equipment that is consistent with a "Focus Material (FM) Management Plan" and that is based on a "reuse, recover, dispose" hierarchy of responsible management strategies.

- Reuse –LifeSpan shall take all practical steps to direct properly functioning equipment and components to reuse unless a customer directs otherwise,
- Materials Recovery – LifeSpan shall separate as appropriate, through manual dismantling and/or mechanical processing, the materials in equipment and components that are not directed to reuse and direct them to properly-equipped materials recovery facilities when technically and economically feasible.
- Energy Recovery or Disposal – LifeSpan shall direct remaining material to properly-equipped energy recovery and/or disposal facilities. LifeSpan will not utilize energy recovery, incineration, or land disposal as a management strategy for FMs or equipment and components containing FMs. However, if circumstances beyond our control disrupt its normal management of an FM, we may consider these technologies to the extent allowed under applicable law.

LifeSpan will comply with all relevant local, state, federal, and international environmental legislation and regulations. More specifically we will comply with all relevant regulations of the countries importing equipment, components, or materials containing FMs that have passed through our facility or control.

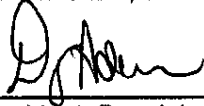
LifeSpan will package, transport, and store all materials so as to prevent release into the environment.

LifeSpan will track by project number the origin and destination of all processed materials. In addition, Lifespan will reconcile all shipping and receiving documentation in order to ensure that all in-bound quantities match outbound shipments.

LifeSpan will exclusively utilize recycling and resale facilities that contractually commit to comply with all environmental laws and FM plans. All universal waste, hazardous waste, and FM downstream facilities are audited and will be reviewed on an annual basis.

When authorized by our customers, LifeSpan may sell complete systems or electronics components when the product has been tested and confirmed to be working in its original intended purpose. If equipment does not function, it is evaluated for refurbishment and reuse value. If it is not reusable then it is demanufactured. Responsible Recycling (R2) reuse principles and LifeSpan's Reuse Policy will be followed.

In order for LifeSpan to sustain this Environmental Policy, the requirements of the QEHS apply to all activities, equipment, raw materials, and employees.

  
\_\_\_\_\_  
President Dag Adamson                      4.9.10  
Date

## LifeSpan's Health and Safety Policy

LifeSpan Technology Recycling is committed to maintaining a safe and healthy work environment. LifeSpan will take all reasonable actions to safeguard the health and safety of their employees and maintain documentation to be able to show we are doing so.

LifeSpan will:

- Comply with applicable Health and Safety regulations
- Manage the R2 focus materials that pass through our facility or control in a manner protective of worker health and safety, public health and the environment;
- Prevent workplace injuries by providing a safe environment for employees, contractors, visitors, volunteer workers, temporary workers and anyone else performing activities under our direction;
- Investigate any workplace accidents, illnesses and near-misses, and promptly correct any unsafe condition or practice,
- Continually (quarterly) perform Hazard Assessments on our facilities
- Once identified, minimize (or eliminate) hazards in the workplace. Furthermore, we will perform corrective actions within a reasonable and time appropriate manner
- Ensure that the workplace environment provides adequate ventilation, temperature, and lighting
- Ensure each employee knows the risks and proper management of universal waste electronics
- Ensure safe and clear access to fire exits
- Continually check our facilities for any structural defects, electrical hazards, and mold and take the necessary remedial action
- Ensure that all equipment is suitable for its intended use and is properly maintained and used.
- Ensure that all staff are aware of the emergency procedures and regular drills are carried out
- Ensure that all members of staff are aware of the procedure in case of accidents or spills
- Ensure that all members of staff are aware of and carry out their health and safety responsibilities as set out in their job descriptions.
- Prohibit any contractor working on the premises without prior discussion with the officer in charge to negate any risks to the staff or users
- Provide appropriate personal protective equipment and train on the use
- Provide clear access to injury statistics, MSDS, regulatory requirements and other QEHS documents to all employees
- Provide source control so upstream shipments are packaged safely, and without unknown wastes or are rejected

Safe work environments do not occur without thoughtful attention by all employees. Managers, supervisors, and employees all share the same responsibility of maintaining a safe and healthy work environment. Every LifeSpan employee is encouraged and required to be proactive in supporting this policy.

  
\_\_\_\_\_  
President Dag Adamson                      4.9.10  
Date

## Universal Waste Management

Universal wastes are hazardous wastes that are more common and pose a lower risk to people and the environment than other hazardous wastes. Simplified regulations apply to the management of universal wastes, but none may be placed in regular trash. All universal wastes are hazardous wastes and would otherwise have to be managed under the same stringent standards as other hazardous wastes if not recycled.

Depending on the location of our facility, the following is a list of universal wastes (not inclusive): Batteries, mercury thermometers, thermostats, switches, lamps (fluorescent tubes, sodium vapor lamps), non-empty aerosol cans, consumer electronic devices, cathode ray tubes (computer monitors, televisions) and vacuum gauges (U tube manometers, barometers, sphygmomanometers). In some states whole electronic units are considered a universal waste, not just the components.

Because Universal Waste laws vary from state to state and LifeSpan has several facilities nationwide, the lowest common denominator will be used for management. Both Federal and State regulations identify universal waste and provide simple rules for universal waste. It is our intention to handle universal wastes in the following manner:

- Prohibited from disposing of any universal waste in the trash
- Prohibited from diluting or treating (other than for spills) universal waste
- Universal waste shall be managed in a way that prevents the release of the universal waste, or any component of the universal waste, to the environment. (i.e. LifeSpan stores UW indoors, in a structurally sound container)
- Not accumulate universal waste for longer than one year from the date the universal waste becomes a waste or is received
- Universal waste must be shipped to another Universal Waste handler or TSDF with proper shipping documentation.
- We will train all employees on the proper handling, labeling, storage, and transport of universal wastes respective to their job requirements

  
\_\_\_\_\_  
President Dag Adamson                      4.9.10                      Date