

**SERI'S POLICY  
FOR MAKING DETERMINATIONS AND RESOLVING DISPUTES  
RELATING TO THE  
SERI R2™ CERTIFIED FACILITIES AGREEMENT**

In order to protect the integrity of the R2 Certification Program, from time to time Sustainable Electronics Recycling International ("SERI") will make a determination that a R2-certified company's SERI R2™ Certified Facilities Agreement ("Agreement") must be terminated. In other instances, SERI will make a determination not to enter into the Agreement with a company, or not to renew a company's Agreement. Without an Agreement in effect, a company cannot obtain or possess an R2 certificate (See the R2 Code of Practices, Version 1.0, top of page 8).

Grounds for SERI taking such action include any behavior that could materially impair the goodwill associated with the R2 Certification Program. The decision as to what constitutes such behavior rests solely with SERI.

Examples of such behavior include but are not limited to:

1. An owner or executive of a company having been charged with a felony crime
2. A company, or an owner or executive, having been charged with a significant violation of an environmental or worker health or safety law or regulation
3. Conducting business in a manner SERI deems to be fraudulent
4. Not paying rent for three months on premises containing Focus Materials (FMs) or electronics containing FMs
5. Shipping an FM or equipment containing an FM to a country that has a law in effect that prohibits the import of the equipment or FM
6. Actions that SERI finds do not meet the following requirements of the R2 Standard:
  - a. Provision 3, Section (a) (2) covering imports and exports
  - b. Provision 5 covering the management of Focus Materials ("FMs")
  - c. Provision 6 covering the management of reusable equipment and components
  - d. Provision 7 covering throughput at the facility
  - e. Provision 8 covering data destruction
  - f. Provision 11 covering insurance, closure plans, and financial responsibility
  - g. Provision 13 covering recordkeeping if the lack of records prevents SERI from evaluating whether the company is meeting any of the provisions listed above.

SERI's Executive Director makes the initial finding that SERI should terminate, not enter into or not renew, an Agreement with the company in question ("Company"). The Company has up to 30 days from the time it receives notice of the Executive Director's initial finding to request that SERI's Board make a determination on the initial finding and to submit any information in support of its position. If the Company makes this request, the Board shall make SERI's final determination within 30 days of receiving the request. The Executive Director, if she or he is a Board member, shall not have a vote. If the Company does not request a determination by the Board within the 30 days, the Executive Director's initial finding becomes SERI's final

Board Approved: 5-19-17

determination. The method and recipients of the correspondence provided for in this paragraph are set forth at the end of this document. The timeframes set forth in this paragraph may be modified by mutual agreement in writing between the Company and SERI's Executive Director.

Any controversy or claim arising out of or relating to the Agreement, or a denial, breach, or termination thereof, that has not been resolved through the process set forth above, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) shall be entered in the District Court for the District of Columbia in the United States.

All correspondence, between SERI (including its Board) and the Company, discussed in this document shall be by a means – certified mail, Fed Ex, etc. – that provides evidence of receipt and date received, and shall be sent to the Company's contact person at the address provided in the online application to SERI, and to SERI's Director of Quality whose mailing address is:

Sharada Rao  
Director of Quality  
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