Prism Electronics

Electronics Liquidation Company

Product Return Plan

Date: 5/17/2022

Revision No: 2.1

Approved by: David Lemberger QEHS Manager

Product Return Plan

TABLE OF CONTENTS

Contents

Product Return Plan

1.0   Amendment Record

All changes to this Standard Operating Procedure (SOP) are tracked in the table below. The Top Management is responsible for processing all authorized changes, removing obsolete pages and/or sections to prevent their unintentional usage and to ensure only the most up-to-date version is available for use. The QEHS Manager and General Manager are the only persons with authority to approve changes made to this SOP. The master copy of this SOP and associated procedures are maintained electronically.

Section	Date	Page(s)	Description	Approval
All	09.27.23	All	Reviewed for applicability in 2023.	Devin Bielejec

Product Return Plan

1.0   Purpose

The purpose of this Product Return Plan is to ensure that all products not meeting customer requirements can be returned and refunded/exchanged at no cost to the customer.

2.0   Scope

The scope of this Product Return Plan shall include all electronic equipment and components destined for reuse or recycling.

3.0   Responsibilities

3.1   GM / Sales Manager / Shipping Manager

- The company's overall performance of this SOP
- Ensuring that adequate resources are available:
  - To establish, implement, maintain, and improve this SOP
  - To enhance customer satisfaction by meeting requirements of this SOP
- Ensuring needed positions are filled and qualified people are in those positions
- Effectively communicating and documenting the EHS roles, responsibilities, accountabilities and authorities of personnel

3.2   Management Representative

- Ensure that this SOP is established, implemented, and maintained
- Provide reuse and quality reporting to top management and recommendations for improvement
- Monitor and assess conditions and factors that affect, or could affect this SOP

3.3   Management and Supervisors

- Build and support an EHS culture through positive reinforcement
- Monitor employee compliance with operational controls associated with this SOP
- Ensure that employees are adequately trained and competent, and assess competency and effectiveness of training
- Monitor conditions and factors that affect, or could affect this SOP

Product Return Plan

3.4   Employees

● Work in ways that minimize risk of injury, ill health, and pollution and to encourage others to conduct themselves in the same manner
● Follow all rules, controls, provided for EHS including wearing specified PPE as required
● Follow training, policy and procedures set forth by this SOP and any other instructions from management whether verbal or written
● Participate in any training recommended and/or specified by Prism Electronics

All staff and management shall demonstrate their commitment to continual improvement of this SOP.

4.0   Definitions

Brokering

"Brokering" (sometimes called "trading") is the process where an R2 Facility sources electronic equipment, components, or materials and controls their delivery directly to a downstream vendor without physically receiving or processing the equipment in the R2 Certified facility. Brokering may be the only activity of an R2 Facility or brokering may be a process in addition to those performed at the R2 Facility.

Certification Body

"Certification Body" is an organization accredited in accordance with the requirements specified in the SERI R2 Code of Practices.

Collectible Electronics

"Collectible Electronics" includes items that are rare, vintage, or have historical significance, and that are no longer manufactured or supported by original manufacturers.

Control

"Control" of electronic equipment, components, or materials begins at the point where and when the R2 Facility takes title, physical possession, or contractual obligation for the electronic equipment, components, or materials, regardless of ownership.

Product Return Plan

Data

"Data" is the private, personally identifiable, confidential, licensed or proprietary information contained on an electronic device or memory component that requires secured management and sanitization under this standard. Data does not include General Information as defined in the R2 Standard.

Downstream Vendors

"Downstream Vendors" include any entity to which an R2 Facility transfers control of used or end-of-life electronic equipment, components, or materials including reuse, refurbishing, de-manufacturing, processing, materials recovery, energy recovery, incineration, and disposal facilities. Suppliers of equipment to the R2 Facility would not be considered a downstream vendor if the equipment, components, or materials are returned to the supplier and only pass through the supplier to another downstream vendor.

Electronic Equipment
"Electronic Equipment", also referred to as "equipment and components", includes computers and peripheral equipment – including, but not limited to central processing units (CPU's); monitors; printers; keyboards; scanners; storage devices; servers; networking systems; copiers; fax machines; imaging systems; printing systems; telephones; televisions; video cassette recorders; camcorders; digital cameras; control boxes; stereo systems; compact disc players; radios; cell phones; pagers; personal digital assistants (PDAs); tablets; smartphones; calculators; organizers; game systems and their accessories; and any components of the types of equipment listed here. It furthermore includes any types of equipment that are designed primarily to store, process or convey information electronically, and any accessories to such equipment. Electronic Equipment also includes any other equipment specified in the R2 Equipment Categorization (REC).

Evaluate

"Evaluate" refers to a variety of activities designed to assess various aspects of equipment or components to determine reuse potential.
Focus Materials
"Focus Materials", also referred to as "FMs", are materials in electronic equipment that warrant greater care during recycling, refurbishing, materials recovery, energy recovery, incineration, and/or disposal due to their toxicity or other potential adverse health and safety impacts on workers, the public and the environment if the materials are managed without appropriate safeguards.

Product Return Plan

Focus Material

The table below provides further information about each FM and when tracking the FM in the recycling chain may stop.

Focus Material	Description/Note	When tracking requirement stops*
Polychlorinated biphenyls (PCBs)		When received at a government licensed or permitted hazardous waste landfill or hazardous waste incinerator; or when received by a downstream R2 certified facility.
Mercury		When retorted and distilled; or when received at a licensed or permitted hazardous waste storage facility; or when received by a downstream R2 certified facility.
CRT Glass	Glass from Cathode Ray Tubes (CRTs), except for the panel glass that has been separated from funnel glass and cleaned of phosphors, CRT fines, coatings, and frit: and is demonstrated to leach less than 5 part per million lead.	When the CRT glass has been processed for use in its entirety in a new product with a known end use and existing market; or when received at a government licensed or permitted smelter; or when received by a downstream R2 certified facility.
Batteries	All battery chemistries from electronic equipment except alkaline batteries that do not contain mercury.	When received at a facility that will recover metals, and where practical, other materials from batteries; or when received by a downstream R2 certified facility.
Circuit boards	Whole, partial, or shredded circuit boards regardless of lead and/or mercury content	When received at a facility that will recover metals, and where practical, other materials from circuit boards; or when received by a downstream R2 certified facility.

* Tracking requirement stops because the Focus Material is either transferred to another R2 Facility for further R2 processing (and will therefore be subject to another audit of that downstream R2 Facility), or has reached the final process in the recycling chain, after which the material has reached final disposition and is no longer considered an FM.

Product Return Plan

Electronic equipment, components, or materials (whole or shredded) that have undergone safe and effective mechanical processing or manual dismantling to remove FMs, yet still retain de minimis amounts of FMs, are not subject to the R2 requirements that are triggered by the presence of FMs.

General information

"General information" is publicly available information or information that is provided with the original electronic equipment from the manufacturer. General information does not require sanitization.

OEM (Original Equipment Manufacturer)

"OEM" is the organization that produces and brands the electronic device or component, whether manufactured by the organization, or by a contract manufacturer.

R2 Controlled Streams

"R2 Controlled Streams" as defined in Table 1 of the REC, are electronic equipment, component, or material streams that are subject to the requirements of the R2 Standard for processing and disposition.

R2 Facility

"R2 Facility" includes, but is not limited to, entities that perform the following activities related to electronics:

> (1) Collect
> (2) Refurbish
> (3) Repair
> (4) Resell
> (5) De-manufacture
> (6) Recover Assets
> (7) Broker
> (8) Recycle

Recycling

"Recycling" is a series of activities during which obsolete, previously used, off-specification, surplus or incidentally produced materials are processed into specification-grade commodities, and consumed as

Product Return Plan

raw-material feedstock, in lieu of virgin materials, in the manufacturing of new products, whether for the original use or other purposes, but does not include energy recovery or the reprocessing into materials that are to be used only as fuels or only for land disposal operations. Hazardous characteristics of the material must be removed in the recycling process or provide a desired benefit in the manufacturing or characteristics of new products. Materials are not considered recycled until in the form of raw materials or products.

Recycling Chain

"Recycling Chain" refers to all the downstream vendors that handle electronic equipment, components, or materials that have passed through an R2 Facility or its control. The Recycling Chain includes all processing steps but does not extend beyond the final process for a Focus Material, or the first tier of downstreams for non-focus materials.

Refurbishing

"Refurbishing" is any modification of an electronic device or its operating system, including disassembly for the purpose of internal testing or troubleshooting, or replacement or repair of non-functioning parts (not including consumable and/or user replaceable items such as batteries and print cartridges), to return the device to its originally intended function and, where possible, condition.

Reuse

"Reuse" is the provision of tested and verified functioning product to another user for its intended purpose.

Sanitization

"Sanitization" consists of the removal and destruction of data from a data storage device such that data recovery using generally available software or techniques is prevented. Sanitization includes the logical or physical destruction of data from the storage device, as well as the removal of all user labels, markings, and activity logs. The method of sanitization varies depending upon the storage device in question, and may include software over writing, degaussing, incineration, shredding, disintegration, grinding, embossing, etc.

Scope

Product Return Plan

"Scope" is the extent of the R2 Certification covering all processes; electronic equipment, components, and materials managed; and activities related to the collection, refurbishing, repair, resale, de-manufacturing, asset recovery, brokering and recycling of electronic equipment, components, and materials both at its facility and under its control, such as in the case of outsourced activities.

Although the operations of an R2 Facility may be physically separated, all certifiable activities at the facility must be included in the scope of the R2 Certification regardless of any subdivision into rooms, units, suites, or otherwise, with the use of fences, walls, or any other dividers. Where there are multiple buildings on a site, that share the same physical address each must be included in the scope.

Where there is more than one business at the site that is involved in the processing of used electronic equipment, components, or materials, each business and all operations must be R2 Certified, unless the Certification Body can verify that each business is:

- A separate legal entity, and
- Completely separated physically from the other businesses, and
- Independently operated, and
- Free of any commonality in ownership, workers, and services, and
- Any interaction between the businesses is traceable, documented, and conforms with the R2 Standard.

Other activities that are not related to the processing of used electronic equipment, components, or materials may also be performed at the same site, but are not eligible for R2 Certification, and therefore not included in the scope of certification.

Where the R2 Facility undertakes activities related to the certifiable activities, but at a separate site with a different physical address, the R2 certification may be extended to the related site through a campus or multi-site certification. Otherwise, R2 Certification is limited to the operations related to the single physical address.

Specialty Electronics

"Specialty Electronics" is rare and specialized electronic equipment that is not generally available in retail. For example, medical, diagnostic, laboratory, or other devices, which are customized for a specific purpose.

Supplier

Product Return Plan

"Supplier" includes any upstream entity that provides used electronic equipment, components, or materials to the R2 Facility.

Test and Repair

"Test and repair" is the processing of used electronic equipment and components to produce reusable products and define the category of functionality.

Unrestricted Streams

"Unrestricted Streams" as defined in Table 1 of the REC, are electronic equipment, component, and material streams that do not require R2 processing or downstream vendor verification.

5.0   Product Return Plan

5.1   Product Return Process

All requests for return are handled by the sales department. The Salesperson will review the issue and where appropriate discuss with the customer any details to help understand the issue and determine the cause of the issue.

Based on the information received, the Sales Person will make a decision and agree on the outcome with the customer.

If the product is returned for replacement, credit or refund:

● The product will be checked that it matches the description and quantity that the customer is expected to return. Any discrepancies will be resolved with the customer.
● The product will be checked for the claimed issue in order to verify the customer's claim. If the customer's claim is correct, the Salesperson will approve and action the replacement, credit or refund.
● The product received from the customer will be weighed in and the inventory system updated. If the product is to go to scrap, SOP-10 (FMMP) shall be followed.

Furthermore, if the agreed action was to send a replacement product, the inventory system will be likewise updated and the product returned to the customer.

Product Return Plan

If the issue that caused the return product was the fault of Prism Electronics, the issue and the action taken to resolve the issue will also be entered into the corrective action process.

5.2 Product Return Policy

Warranty: We sell and ship products to Qualified buyers that meet all domestic and Foreign Export Policy standards. Any warranties only apply to the first buyer listed on the sales order. No refunds will be given for buyer's remorse about a purchased product. We cannot guarantee the merchantability of any product for a specific purpose or use.

Packaging: All recipients are responsible for inspecting the packages or shipments for damage prior to opening. If the package is damaged in any way and potential damage of the product is suspected, recipients are responsible for taking pictures prior to unloading or opening the package and notifying us as soon as possible upon receipt. We will not be able to refund payments for products that are damaged in shipment without the evidence of damage so that we may file claims with its carrier.

Refunds: Refunds will not be issued for buyer's remorse or when the item can be exchanged for like product. Refunds will only be issued to the original purchaser and only when the product is returned in the original condition it was shipped, including all components and technical specifications that match the item description.

General reimbursement exclusions:

1. We will not reimburse for products that are not returned in the original condition, including all components and technical specifications.
2. We will not reimburse for equipment that is found to be working or in the advertised description upon return.
3. We will not reimburse for shipping from locations other than the original delivery address.

Classification of Product	Warranty	Returns	
		Shipping	Refunds

Product Return Plan

Refurbished	30 Days	Seller	14 Days after receipt
Hardware Functional	30 Days	Seller	14 Days after receipt
Key Function Functional	30 Days	Seller	14 Days after receipt
Specialty or Collectible Electronics	30 Days	Seller	14 Days after receipt
Like New	30 Days	Seller	14 Days after receipt
Recycle (materials recovery)	As is Where is	Negotiated	N/A

5.3   Warranty Procedures

1. Contact your sales representative who sold the product or call 408 762-7200.
2. Work with our staff to attempt resolution remotely.
3. If the issue cannot be resolved remotely and requires return of the product, the account representative will provide shipping instructions.
4. Provide the tracking number on the return shipment.
5. Upon receipt, the product will be evaluated and corresponding resolution made.

13

Product Return Plan

5.4 **Customer Return Materials Authorization Form**

Customer Return Materials Authorization

Request received by _____   Received on _____

Customer Details		
Company _____	Contact _____	ID _____
Address _____	Phone _____ Fax _____	
_____	Email _____	
City _____	State _____ Zip _____	

Product Details						
Item	Model #	Serial #	Qty	Reason for Return	Invoice #	Date
_____	_____	_____	___	_____	_____	_____
_____	_____	_____	___	_____	_____	_____
_____	_____	_____	___	_____	_____	_____
_____	_____	_____	___	_____	_____	_____

PRISM
ELECTRONICS
Electronics Liquidation Company

Product Return Plan

_____	_____	_____	___	_____	_____	_____
_____	_____	_____	___	_____	_____	_____
_____	_____	_____	___	_____	_____	_____

For internal use only

RMA #	RMA- _____	Restocking fee	_____	Credit amount _____
Issued by	_____	Return rec'd on	_____	Credit issued by _____
Issued on	_____	Return rec'd by	_____	Credit issued on _____
Good until	_____			Replacement sent _____

Reference

SOP-11 Reusable Electronics and Components

15