



How R2 Certified recyclers protect your organization



Protection From Unintended Consequences

At the beginning of the tech boom, few anticipated the unintended consequences that would follow. Rapidly changing technology and electronic devices have improved the quality of life for millions around the globe. Unfortunately, however, the improper disposal of electronic devices has had devastating consequences on data security, the health and safety of workers and communities, and on the environment.

Limiting Your Environmental Liability

Businesses are under greater scrutiny to see that their UEPs are properly managed and recycled. Under the Comprehensive Environmental Response, Compensation & Liability Act (CERCLA), enacted in 1980, the federal government is authorized to demand cleanup costs from all companies that are deemed to have contributed to environmentally hazardous situations. Complying with rules that were legal at the time does *not* provide immunity from **future** liability.

Just ask paint manufacturers who over the past 30 years have spent hundreds of millions of dollars on clean-up, mitigation and legal fees stemming from lead-based paints that were legally manufactured and sold decades earlier. The long lasting repercussions of environmental liability are illustrated by the 2013 California case involving nearly 1 billion dollars in claims against five paint manufacturers, stemming from practices that occurred decades earlier.

A similar crisis may be looming for the IT & electronics industries. Under CERCLA (also known as Superfund), **you** are responsible for the safe handling of your decommissioned electronics throughout the *entire recycling chain of custody*. Your responsibility doesn't end when you transfer custody of your electronics to a recycler or broker. This leaves organizations vulnerable to significant liability. The Superfund Recycling Equity Act (SREA), which was enacted into law in 1999, offers a measure of protection for those who exercise due diligence when recycling electronics. Three basic conditions must be met to benefit from the protections of SREA:

- Does the material meet the definition of “recyclable” material?
- Does the transaction meet the conditions of “arranging” for recycling?
- Did you take reasonable care to determine the environmental compliance status? In other words, did you show due diligence prior to shipping?

Providing Data Security

Regulations governing data security in banking, healthcare, retail and other industries make it imperative to have the right processes in place to protect the data of your customers and of your own organization. Under FACTA and HIPAA regulations, entities may be subject to civil penalties for security breaches. Using an R2 Certified company offers the following safeguards:

- Facility security and mandatory employee background checks.
- The highest industry standards for data destruction or sanitization of data sensitive devices.

Providing Brand and Logo Protection

The cost of negative press can cause irreparable damage to your company and result in loss of customers and new business. Major corporations, universities and government agencies have had their brand and logo negatively linked to e-waste scandals or data security breaches. Using R2 Certified companies minimizes your exposure to this type of damaging publicity and protects your brand.