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Total Reclaim Public Statement

Under the immense pressures of a very difficult market for our services, we lost sight of our values and made business decisions that were contrary to the certifications and standards we had agreed to meet. These ethical lapses do not reflect the historical nature of us as people or as a company. Nor are they indicative of who we will be going forward. We are very sorry that we have let down our industry, our customers, our employees and all those who have believed in us. We pledge to re-earn your trust.

Total Reclaim acknowledges the following:

- We exported flat screen devices to undocumented recycling facilities in Hong Kong;
- We withheld information about these exports from our customers and certifying body;
- When questioned about the nature of these exports by the staff of e-Stewards, we were not forthcoming with information, potentially endangering the credibility and viability of the e-Stewards program.

Total Reclaim and its founders have earned industry reputations as committed and skilled environmental protectionists and professional operators through the introduction of numerous recycling programs for hard-to-handle materials in the Pacific Northwest.

Economic challenges never excuse wrong behavior. The reality, though, is that squeezed by plummeting commodity prices; increasing labor costs; long-term, fixed-price contracts; and, especially, a dramatically increasing volume of flat-screen devices, we made a short-term business decision to export materials to undocumented processing facilities in Hong Kong. In doing so, we violated the aspirational goals of the e-Stewards certification. We potentially embarrassed our customers, who were in no way complicit in our actions. In addition, we were not mindful of the environmental and human harm that could have been caused in Hong Kong. For all of this, we are very sorry.

Prior to learning of the investigation by BAN, Total Reclaim had begun an intensive project to develop technology to enable us to recycle flat screen devices without posing an unreasonable risk to our employees or the environment. This project has proved successful and we are confident that it has the potential to revolutionize our industry. As part of our commitment to rectifying our past mistakes, we pledge to make this technology available to our industry competitors to assist them in handling these difficult materials.

We take no issue with the factual findings of the e-Stewards Evidentiary Report. Rather we apologize for failing to live up to our commitments and pledge to rebuild our status as an industry leader and rebuild the trust of the e-Stewards organization, our customers, and the public.

Craig Lorch

Jeff Zirkle

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