



## Asset Disposition

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# N-1 Technologies

## Process Summary

### **Overview**

N-1 Technologies provides a complete end-to-end Asset Disposition solution.

N-1 Technologies' Asset Disposition customers can expect to have their IT equipment efficiently and accurately inventoried, audited, recycled or disposed of in a manner that is consistent with the highest levels of security and environmental standards available today.

N-1 Technologies understands that Asset Disposition is an expensive but necessary cost for most companies. For others, it is a liability, or both. No business wants to be labeled as being unfriendly to the environment or as being haphazard with customer information stored on their IT. IT disposal fees, EPA compliance, and maintaining complete data security from beginning to end are all expensive and time consuming costs associated with the proper IT disposal. N-1 Technologies helps its customers offset these expenses and change this cost center into a profit center.

Not all IT sent to N-1 Technologies is destined for disposal. N-1 Technologies is one of the largest resellers of refurbished IT in the industry. N-1 Technologies passes the value of its leadership position on to our customers. IT equipment that still maintains its value is refurbished and sold by a large and experienced team of IT representatives. N-1 Technologies' customers share in the profits generated from these sales... changing what was formerly a cost center into a profit center.

IT equipment sent to N-1 Technologies for Asset Disposition is either destined for proper disposal or sale. In either case, N-1 Technologies' Asset Disposition customers are provided complete visibility into status of their IT equipment, the value of their equipment, and the equipment's final destination through the N-1 Technologies online Consignment Tool. Having easy access to this asset management tool ensures N-1 Technologies' Asset Disposition customers are always in complete control of their own virtual warehouse of IT inventory.

### **How it Works**

#### **Step 1 – Transportation & Logistics**

N-1 Technologies provides a dedicated Asset Disposition representative to schedule all Asset Disposition inventory pickups. Representatives work closely with customers to find out how to best customize each company's Asset Disposition program. From communication preferences to billing and invoicing needs, an N-1 Technologies' representative is there to ensure a smooth and easy process every step of the way.

The first step in the program involves scheduling the pick up and delivery of IT equipment to the N-1 Technologies' facility. Customers are contacted by their N-1 Technologies' representative to schedule the pick-up as well as assist in choosing the best method of packing and shipping of the equipment. Associated shipping costs

are agreed upon in advance. All equipment is then sent on its way to be inventoried and audited at the N-1 Technologies' facility. Customers are provided with any associated tracking information and are notified of receipt confirmation. From beginning to end, customers can follow their equipment every step of the way.

### **Step 2 – Inventory & Audit**

IT equipment is thoroughly evaluated upon arrival at the N-1 Technologies' facility. Within five business days, all equipment will go through the following Inventory and Audit steps. Equipment is:

- Unpacked and sorted by relevant groups
- Inventoried and serial / control numbers recorded
- Assessed for value or for disposal
- Assigned a Fair Market Value (FMV) or the appropriate disposal fee
- Uploaded into the N-1 Technologies Consignment Tool for FMV and disposal fee customer review and sign off

### **Step 3 – Refurbish or Disposal**

Refurbish:

All IT equipment designated with a FMV in the Inventory & Audit process is thoroughly tested and refurbished. Refurbished equipment is then marketed for sale by a team of N-1 Technologies' end-user sale representatives and equipment brokers, as well as marketed for sale on the company's website.

The process includes reducing larger components into individual parts where applicable to maximize the potential overall resale value for the customer. All markings or information located on the equipment is removed in the refurbishing process. In most cases, equipment put through the N-1 Technologies' refurbishing process finishes the process in like-new condition.

Equipment found to be defective is reassigned for proper disposal.

*\*N-1 Technologies does not resell drives without prior customer consent.*

*\*Preliminary FMV assessment available prior to shipment if inventory list, including configuration, is provided to N-1 Technologies in advance – Preliminary assessment subject to actual audit, physical inspection, and testing.*

Disposal:

All IT equipment designated for disposal is broken down into segments by its individual security and EPA disposal requirements. The following are designated segments and associated disposal processes.

PC / Laptops / Servers

- Hard drives are removed and reformatted to Department of Defense (DoD) standards. After being thoroughly cleansed of data, the hard drives are sent to a recycling facility to be melted and destroyed under EPA guidelines.

#### Printers (Dot Matrix)

- Dot Matrix printers are sent to recycling facility and destroyed under EPA guidelines.

#### Printers (Inkjet and Laser)

- Inkjet and Laser printers have fuser and/or image drum removed and separated for disposal under EPA guidelines. Remaining parts are recycled under EPA guidelines

#### PBX / Telecom

- PBX / Telecom equipment containing hard drives are removed and reformatted to Department of Defense standards. After being thoroughly cleansed of data, the hard drives are sent to a recycling facility to be melted and destroyed under EPA guidelines. Remaining equipment is sent to recycling facility and destroyed under EPA guidelines.

#### Networking

- Networking equipment is sent to recycling facility and destroyed under EPA guidelines.

#### **Step 4 – Review**

Customer is contacted by N-1 Technologies' Asset Disposition representative to review FMV pricing and fees associated with equipment disposal and recycling.

#### **Step 5 – Online Tracking & Phone Service**

Customers are provided with a unique User ID and Password to log into the N-1 Technologies Consignment Tool. The online tool allows customers to see any FMV changes, sales of equipment, status of equipment earmarked for disposal, and any associated disposal fees.

#### **Step 6 – Invoice & Billing**

Customers generate invoices from the N-1 Technologies Consignment tool for all refurbished IT equipment sold by N-1 Technologies. N-1 Technologies sends customers a monthly invoice for any associated disposal fees.

### ***Compliance & Security***

#### **Disposal**

All N-1 Technologies recycling practices conform to EPA recycling and disposal guidelines as designated by the state.

<http://www.epa.gov/epaoswer/hazwaste/recycle/ecycling/index.htm>

Proper equipment destruction certificates are available on request.

#### **Resale**

All refurbished IT equipment to be resold by N-1 Technologies has all markings and identification of the original equipment owner removed prior to sale as part of the refurbishing process. All drives are re-formatted to DoD standards and only available for resale if designated by customer.

## **Disposal Fees**

Fees associated with inventory, audit, and testing IT equipment included for all segments.

Segment	DoD Re-Format	Disposal Fee
PCs & Laptops	Included	\$25
Servers (Assumes 3 Drives – Add Drives, add \$2 per Drive)	Included	\$75
Printers	NA	\$50
PBX / Telecom	Included	\$25
Networking	NA	\$25

## **Resale Profits**

Inventory that is assigned a FMV price is sold to a base of over 1,000 N-1 Technologies' accounts. Customers utilizing N-1 Technologies' Asset Disposition services eliminate the time and money associated with inventorying, auditing, testing, refurbishing, storing, and maintaining EPA compliance of their discontinued IT. In addition to these valued services, customers gain the benefit of sharing in the profits generated by the sales of their equipment which still holds value. FMV priced equipment is actively sold on consignment by the N-1 Technologies' sales force. Participation in this consignment program can not only eliminate headaches but increases returns on IT resale by 30%-40% over a straight purchase price offering. The vast majority of consignment inventory is sold in 90 days or less.

If immediate cash needs for IT inventory exist, N-1 Technologies can offer customers lot pricing on a case by case basis.

## **Resale Consignment Fee**

The re-sale consignment proceeds will be split between N-1 and the customer at a pre-negotiated factor. N-1 Technologies will need to have additional data on the description of the assets to be disposed by the customer to formulate the consignment fee. Once a consignment fee is determined, the customer will not have to pay for the inventory, audit and testing of FMV priced equipment. Those costs will be covered in N-1's consignment fee.