



**SECONDARY MATERIALS[®]
AND RECYCLED TEXTILES**

The Association of Wiping Materials, Used Clothing and Fiber Industries

Donation Drop Box Operator Code of Conduct

Companies that are members of the Secondary Materials and Recycled Textiles Association (SMART) are deeply committed to recycling and waste reduction, and through their business activities, are responsible for diverting billions of pounds of used textiles and other household wastes from landfills each year. They are also committed to giving back to their communities, and as a matter of course, create substantial revenue for numerous 501(c)(3) charitable nonprofit organizations by purchasing inventory donated to the charities by the public. To do this, SMART members frequently forge partnerships with charitable groups, agreeing to provide donation drop boxes and collection services and share in related proceeds in exchange for using the charity's name/logo on their bins. These arrangements are broadly beneficial to participating charities as they provide a risk-free and effortless means of generating much needed funding without any overhead.

Yet, despite the meaningful contributions for-profit drop box operators are making to broader environmental and philanthropic goals, they have sometimes come under fire, with critics alleging that some operators do not fulfill their obligations to maintain collection boxes or provide enough transparency about the intended use of donations.

While these instances are by far the exception and not the rule, to prevent potentially negative outcomes and effectively support recycling and reputable charitable nonprofits, SMART member drop box operators abide by a stringent code of conduct. The elements of this code are detailed below.

SMART member donation drop box operators agree to:

1. Ensure donation receptacles identify the name and telephone number of the company responsible for maintaining the bin(s);
2. Clearly mark donation bins with the names and telephone numbers of the sponsoring organization and charities receiving benefit;
3. Refrain from using deceptive or ambiguous labels/logos on bins that imply donations will go to support a particular cause if there is no underlying affiliation with a charitable organization and clearly disclose the for profit nature of your business on your bins;
4. Obtain written consent from a property owner and/or representative prior to placing and/or moving donation drop boxes on any private property;
5. Service drop boxes as often as necessary to avoid accumulation of donated items or debris around said bins;
6. Provide the property owner and/or representative with a working phone number and commit to responding to any complaints regarding box maintenance within 24 hours of receiving notification during regular business hours;
7. Comply with any applicable zoning and or permitting requirements, including state, local and municipality requirements.

SMART encourages donation drop box operators to perform due diligence to ensure the legitimacy and good-standing of any potential 501(c)(3) charity partner. To accomplish this, drop box operators may wish to ask charitable partners to furnish:

- A letter of determination from the Internal Revenue Service (IRS) indicating valid 501(c)(3) tax status;
- Documentation indicating satisfactory completion of an independent, third-party review verifying compliance with any applicable IRS requirements;
- A copy of the charity's completed IRS Form 990 for the most recent tax year;
- Any other form of acceptable documentation demonstrating that a nonprofit meets recognized standards for charitable accountability.

Any SMART member company found to have violated any of the numbered provisions above may face disciplinary action from the association including but not limited to revocation of any related member benefits and/or privileges up to expulsion.

Of course, SMART also encourages consumers and the general public to perform due diligence to ensure the legitimacy and good-standing of any potential donation box operator and to contact their local state Attorney General's office to determine if these organizations or their private sector partners are registered and compliant with state and local regulations. Consumers/the general public may also wish to utilize an independent, third-party review service like www.charitynavigator.org or www.charitywatch.org to assess the activities of a potential charitable recipient.

Approved by SMART Board of Directors, February 2, 2012