



ASSET REDEPLOYMENT SOLUTIONS, LLC.

RE-SOURCING GUIDE

FOR SELLERS

500+ miles of pipe has been constructed with Re-Sourced materials from ARS Global.

THE TENANTS OF ASSET RECOVERY

Realizing return from idle assets depends on the chosen strategic methods and the resources available to maximize your return. The Investment Recovery Association identifies 7 R's for dispositioning surplus assets, ranked from highest potential ROI to lowest. Typically, sending assets for scrap is among the lowest ROI-yielding methods for asset recovery. In the energy industry, it is also one of the most unsustainable dispositioning methods and emits the large amounts of greenhouse gases (GHGs).

Smart reselling strategies using peer-to-peer networks can be the more effective, sustainable option for asset recovery.

TYPES OF RESALE

When reusing or reconditioning an asset aren't an option, and its idle presence on the books is doing more damage than good, resale might be the best alternative. Within resale, different methods yield different ROI results. There are 3 main methods for reselling:

- End Users
- Brokers and Dealers
- Rebuilders and Refurbishers

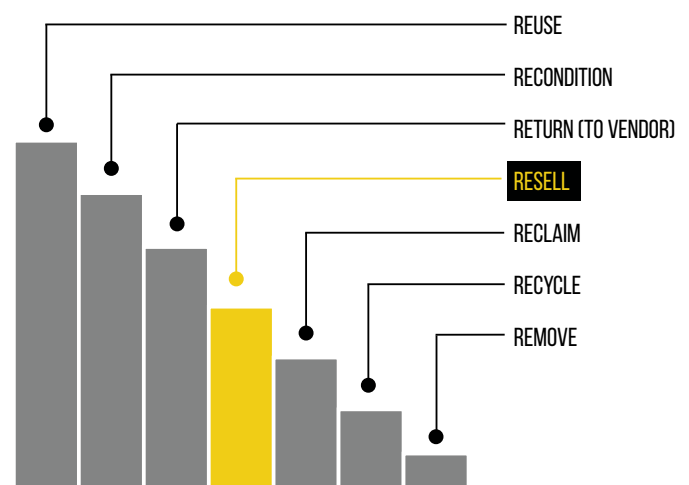
End users have the greatest potential return on investment, but they are the most difficult to reach.

Traditionally, transacting with end users heavily depends on professional networks, and sellers are limited by their resources, their contacts, and their ability to reach interested buyers.

ARS Global's platform provides sellers an opportunity to reach end users using an effective type of reselling through a peer-to-peer network, called **Re-Sourcing**.

THE 7 R'S OF ASSET DISPOSITIONING

From highest ROI potential to lowest

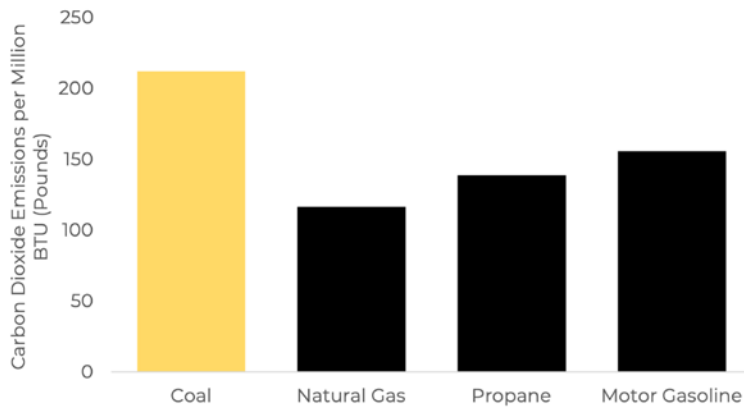


If reusing or reconditioning the asset internally or returning it to the vendor isn't an option, reselling is the next best alternative for realizing ROI from dispositioning an asset.

3 KEY CONSIDERATIONS FOR RESELLING

- Legal, environmental, safety, and quality restrictions**
 Especially for pipe, valves, and fittings, MTRs and documentation are vital.
- Time frame limitations**
 Timing and logistics play a key role in resale.
- Appropriate reselling resources**
 Having the right resources and network available to you determines the success of the sale.

CARBON DIOXIDE EMISSIONS COEFFICIENTS BY FUEL

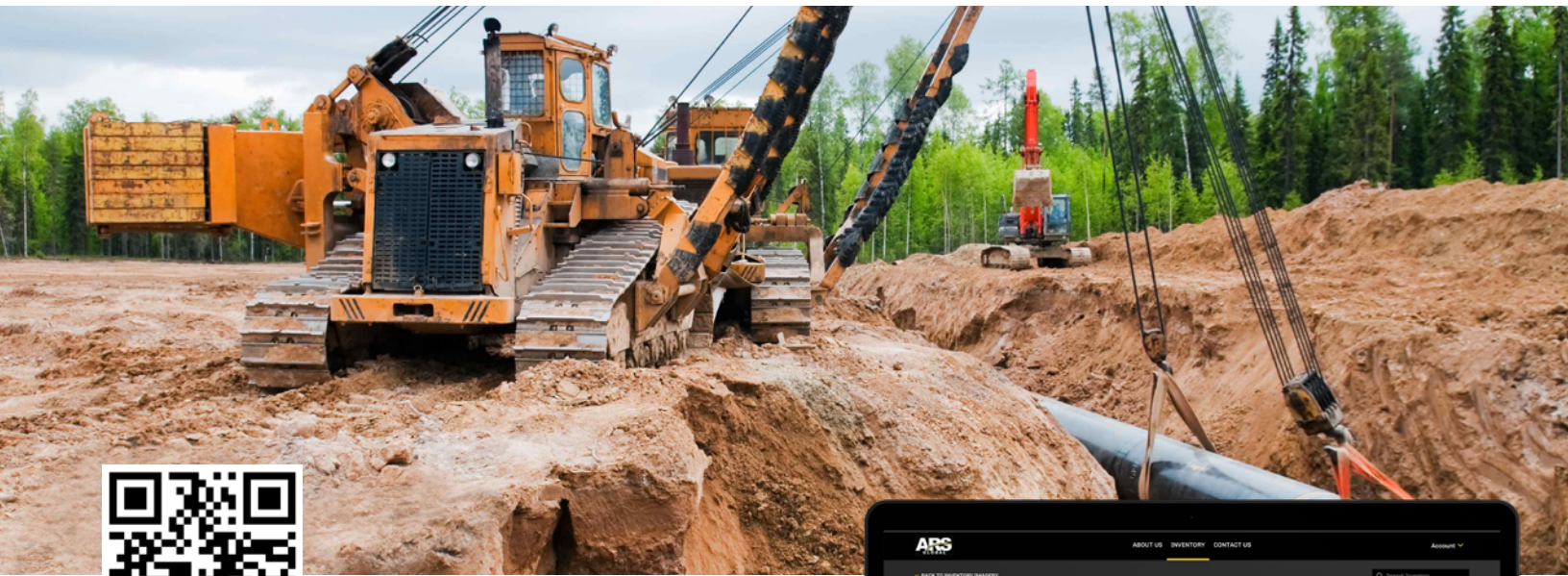


Coal is the primary fuel source used by the industry to generate the high heat required to smelt raw materials for steel products. However, coal is one of the highest emitters of carbon dioxide, producing twice as much CO₂ per unit of energy as natural gas.

SUSTAINABILITY & RE-SOURCING

Without the option for Re-sourcing, customers looking for a more environmentally conscious process for sourcing steel products might purchase steel products made by combining scrap metal and raw materials in a blast furnace. However, this smelting process is still notorious for belching massive amounts of CO₂ even if it does reuse materials. Likewise, if an owner-operator is looking to divest unused steel assets—such as from a canceled pipeline project—it might think the only option is to sell it as scrap metal. From both sides, the companies would be negatively affected by an increased carbon footprint in their sustainability reports.

With Re-Sourcing, already manufactured steel products, such as line pipe, valves, and fittings, can be bought and resold through peer-to-peer networks. **This alternative model bypasses the smelting that would be required with selling scrap metal or buying newly manufactured materials.** Re-Sourcing effectively lengthens the product lifecycle of steel and reduces the environmental impact of the project at hand.



GETTING STARTED

To take advantage of Re-Sourcing with ARS Global, your assets can be listed on ARS Global's online inventory system. From there, a peer-to-peer network of buyers will be able to see your available assets, and you'll be able to optimize the value from your resale.

