DATED **2009**

Lead REACH CONSORTIUM

LEAD REACH CONSORTIUM AGREEMENT

Version for EU legal entities

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The International Lead Association has been renamed from LDAI and ILA-E, but for the purposes of this agreement is the same legal entity

DATED **2008**

PARTIES being the individual persons set forth in Schedule 3 hereto, as the same may be amended from time to time (individually, a "Consortium Member" and, collectively, "Consortium Members"), the Lead Reach Consortium ("LRC").

WHEREAS

A) The Consortium Members are all persons involved in the manufacture (or import into the EC) of Lead, Lead oxides and Lead Stabilisers and other Lead substances and each seek to fulfill their obligations under the Regulation of the European Parliament and of the Council concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH"), establishing a European Chemicals Agency and amending Directive I999/45/EC and repealing Council Regulation (EEC) No. 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC as set forth in the Regulation (EC) No 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals of persons involved in the manufacture (or import into the EC) of Lead substances as are set out in Schedule 1 of this Agreement ("REACH Compliance") and which will require manufacturers and importers of chemical substances to register those substances by means of a registration (the "Registration") submitted to the newly formed European Chemicals Agency (the "Agency") which will be forwarded to the competent Member State authority (the "Member State Authority");

B) Article 11 of REACH authorises the formation of consortia for the purpose of preparing joint Registrations, and the Consortium Members wish to form such a Consortium (the "Consortium") for the purposes and upon the terms set out in this agreement (the "Agreement"); and

C) The Consortium Members recognise that the VRAL Funders have produced a voluntary risk assessment on lead ("VRAL") report elements of which report will be made available to the Consortium under license and that in taking benefit of the data produced, the Consortium Members will contribute to these initial costs. The Consortium Members also recognise that further research is required to comply with the comprehensive requirements of REACH.

NOW, THEREFORE, the Parties hereto hereby agree as follows:

Section 1: Definitions and Interpretation

1.1 Unless the context otherwise admits any definition specified in Article 3 of REACH shall apply to the terms used or referred to in this Agreement.

"€" shall mean euro being a recognised currency of the European Union.

"Agency" shall have the meaning assigned thereto in Recital (A).

"Agreement" shall have the meaning assigned thereto in Recital (B).

"Article" shall refer to an article of REACH.

"Associate Company" shall have the meaning given to an associate company in S.416 Income & Corporation Taxes Act 1988.

"Associate Member" shall mean such downstream users, trade associations and other persons whom the Steering Committee may admit to associate membership as set out in Schedule 3; such members shall not be deemed Consortium Members.

"Breaching Member" shall have the meaning assigned thereto in clause 8.7.

"Budget(s)" shall have the meaning assigned thereto in clause 3.5.

"Business Day" shall mean any day (other than a Saturday or Sunday) on which the banks are open for business in London.

"Chair" shall have the meaning assigned thereto in clause 3.1.

"Committee Representative(s)" shall have the meaning assigned thereto in clause 3.1.

"Community" shall have the meaning assigned thereto in clause 8.12.

"Confidential Information" shall have the meaning assigned thereto in the Non-Disclosure Agreement as attached hereto at Schedule 5.

"Consortium" shall have the meaning assigned thereto in the Recital (B).

"Consortium Member(s)" shall have the meaning assigned thereto in the Caption. For the avoidance of doubt New Consortium Members together with any "Lead Registrant(s)" shall be a Consortium Member;

"Deed of Adherence" shall mean the deed of adherence as set out in Schedule 7 hereto which a New Member shall be required to execute prior to becoming a Consortium Member.

"Effective Date" shall mean 1 January 2008 being the date upon which this Agreement shall come into effect.

"General Assembly" shall have the meaning assigned thereto in clause 3.1.

"Group of Companies" shall mean any Party which is a company and/or any of its Associate Companies.

"Importer" shall mean any person who is responsible for import into the Community.

"Joint Registration" shall have the meaning assigned thereto in clause 4.4.

"ILA" shall have the meaning assigned thereto in clause 3.6.

""Lead Registrant"" shall mean a Consortium Member who is a manufacturer or importer acting on behalf of the Consortium Members from time to time as contemplated by clause 4.

"Liabilities" shall mean any debts, liabilities, obligations, claims, encumbrances, commitments, demands, or expenses of any nature or kind, whether known or unknown, asserted or unasserted, accrued or unaccrued, absolute, contingent or otherwise and whether due or to become due.

"Manufacture" shall mean the production or extraction of a Substance in the natural state.

"Manufacturer" shall mean a person who manufactures any Substance.

"Member State Authority" shall have the meaning assigned thereto in the first recital.

"New Consortium Member(s)" shall mean persons who join the Consortium as Consortium Members 60 days after the Effective Date in accordance with clause 8.1 and 8.2.

"Non-Disclosure Agreement" shall have the meaning assigned thereto in clause 12.1.

"Only Representative" shall mean a person established in the Community appointed by a Non EU Manufacturer/Importer to fulfil the obligations applicable to Importers under REACH as permitted by Article 8 of REACH.

"Party" shall mean all signatories to this Agreement (including without limit Consortium Members and Associate Members and the Secretariat from time to time).

"Potential Registrant" means a Manufacturer or Importer in either case being established inside or outside the Community, which is either manufacturing or importing or intends to manufacture or import any Substances in the Community.

"Pro Rata Share" shall have the meaning assigned thereto in clause 9.1 (and in calculating such share the Parties shall take into account payments made by Consortium Members, Associate Members and other funders to the Consortium through Letters of Access or otherwise).

"REACH" shall have the meaning assigned thereto in Recital (A).

"REACH Compliance" shall have the meaning assigned thereto in Recital (A).

"Registration" shall have the meaning assigned thereto in Recital (A).

"Registration Dossier" shall mean the technical dossier and chemical safety report (where applicable) as required by REACH.

"Remedy Period" shall have the meaning assigned thereto in clause 8.7.

"Schedule" shall mean any schedule attached to this Agreement as amended from time to time and which schedules shall form part of this Agreement.

"Secretariat" shall have the meaning assigned thereto in clause 3.5.

"Steering Committee" shall have the meaning assigned thereto in clause 3.9.

"Steering Chair" shall mean the chair of the Steering Committee from time to time as per clause 3.9.

"Substance" means lead in its elemental form, or compound form, including lead in preparations (eg alloys), in articles and Isolated Intermediates (as defined in REACH) as specified from time to time in Schedule 1 of this Agreement.

"Substance Group" means each separate sub group relating to the Substance which comprises of lead metal, lead oxides or lead stabilisers (or such other sub group as the General Assembly may approve from time to time) to which Consortium Members shall belong according to their subscription categorisation in respect of each sub group as more particularly set out in Schedule 8.

"Substance Specific Research" means research (being research relating to all Substances or research for each specific Substance Group) which is deemed by the Consortium or Substance Group to be necessary for the purposes of REACH.

"VRAL Fee" means the fee payable by Consortium Members for use of the VRAL Report as more particularly set out in Schedule 8.

"VRAL Funders" means the funders of the VRAL Report of which certain elements will be made available by way of license to the Consortium for an agreed fee as more particularised at Schedule 8.

"VRAL Report" means the voluntary risk assessment on lead report commissioned and prepared for and on behalf of the VRAL Funders.

1.2 references to any statute or statutory provision will unless the context otherwise requires be construed as including references:-

1.2.1 to any earlier statute or the corresponding provisions of any earlier statute whether repealed or not directly or indirectly amended consolidated extended or replaced by such statute or provisions or re-enacted in such statute or provisions;

1.2.2 to any subsequent statute or the corresponding provisions of any subsequent statute in force at any time whether before or after the date of this Agreement directly or indirectly amending consolidating extending replacing or re-enacting the same; and

1.2.3 to any orders regulations instruments or other subordinate legislation made under the relevant statute or statutory provisions which are in force at any time before or after the date of this Agreement.

1.3 a reference to a person shall include without limit reference to a firm, a body corporate, an individual person, an unincorporated association or such other natural or legal person as contemplated under REACH.

1.4 words in the singular shall include the plural and vice versa and words in the masculine shall also include the feminine and vice versa.

1.5 a reference to a clause or Schedule (other than to a schedule to a statutory provision) shall be a reference to a clause or Schedule (as the case may be) of or to this Agreement.

1.6 the headings and use of bold type in this Agreement are for convenience only and shall not affect the interpretation of any provision of this Agreement.

2. Purpose and Goal of the Consortium

2.1 The Consortium Members shall collaborate in order to comply jointly with the requirements pursuant to REACH for Substance Registration. In particular but without limit, the following duties are to be performed jointly:

2.1.1 Development of core data as specified in clause 6 of this Agreement. The scope of the core data shall be oriented towards the highest tonnage band applying to one of the Consortium Members.

2.1.2 Preparation of the chemical safety report and the guidance on safe use of a Substance.

2.1.3 Filing the core data and, where relevant, the risk assessment report by a “Lead Registrant“ for the purpose of Registration.

2.1.4 Submission of the chemical safety report.

2.2 The Substances shall be registered at the deadline applicable to the Consortium Member with the highest tonnage band.

2.3 The Consortium wishes to pursue the aforementioned purposes in order to avoid dual work, to reduce expenses and to file a harmonised set of data for Registration.

2.4 Each Consortium Member is responsible for observing its rights and obligations according to REACH, in as much as these rights and obligations are not observed by the Consortium in accordance with this Agreement including without limit information which is to be submitted to the Agency within the Registration Dossier in due time by each Consortium Member as well as to communication in the “downstream” supply chain in the form of safety data sheets. Notwithstanding the above it shall be the responsibility of each Consortium Member to ensure that Registration for each Substance applicable to it is effected notwithstanding the “Lead Registrants’” obligations to effect Joint Registration as set out herein.

2.5 The Consortium Members are aware of the fact that activities of the Consortium aimed at the joint assumption of Registration requirements could represent a case of application of Art. 81 & 82 EC Treaty. The Consortium Members explicitly agree to observe Art. 81 & 82 EC Treaty, Art. 25 paragraph 2 REACH Regulation and the Code of Conduct attached in Schedule 2.

2.6 This Agreement shall take effect as at the Effective Date.

3. Governance of the Consortium

General Assembly

3.1 The activities of the Consortium shall be directed by a General Assembly (the "General Assembly") consisting of the representatives thereto of each of the Consortium Members designated pursuant to clause 3.2 hereof (each a "Committee Representative"). The General Assembly shall have a chair, who shall be a Committee Representative from one of the "Lead Registrants" (the "Chair"). The Chair shall be appointed and removed by a two thirds majority vote of the General Assembly present or represented thereat but in any event the Chair shall retire from office at the next General Assembly meeting after the second anniversary of his appointment provided that if the General Assembly, at the meeting at which the Chair retires, fails to fill the vacancy of the retiring Chair and the Chair is willing to act, he shall be deemed to have been reappointed for a further two year term. The activities and decisions of the Consortium, including those of the Chair, the General Assembly, the Steering Committee, and the Secretariat, shall be confined to matters relating to REACH Compliance.

3.2 Each Consortium Member shall designate in writing a representative as its duly authorised representative to the General Assembly. The names and other relevant information of each Consortium Member shall be set forth in Schedule 3 hereto. A Committee Representative may be changed from time to time by written notice thereof from the officer, director or other authorised person of such Committee Representative to the Secretariat. Each Committee Representative or his designated proxy shall be entitled to participate in General Assembly meetings in person or by teleconference (and where relevant any telephone vote shall be noted by the Secretariat). All parties hereto shall be entitled to rely upon action taken by such Committee Representative as constituting action by the Consortium Member that such Committee Representative represents.

3.3 Except as otherwise provided in this Agreement, decisions of the General Assembly shall be by a two thirds majority of those Consortium Members present or represented thereat. Votes shall be cast by each Committee Representative, each such Committee Representative having one vote. The Chair shall not have an extra or casting vote. Votes shall be cast in person or by proxy provided such person or proxy shall be duly designated and authorised in writing to the Secretariat by such Committee Representative prior to any meeting at which a Committee Representative is entitled to vote.

3.4 The activities of the Consortium shall be conducted on a not-for-profit basis.

Secretariat

3.5 The activities of the Consortium shall be organized by a consortium secretariat (the "Secretariat"), which Secretariat shall, inter alia, coordinate the day to day affairs of the General Assembly and supervise the administrative, legal, and financial matters relating to REACH Compliance in consultation with the Steering Committee and the Steering Chair. The Secretariat shall assist the "Lead Registrants" in the preparation of the Joint Registrations and ancillary documents, in submitting drafts of the Joint Registrations and ancillary documents to each Consortium Member for its review and comments. The Secretariat shall also:

3.5.1 prepare or have prepared a work plan outlining the research and other activities to be accomplished for REACH Compliance for the coming calendar year;

3.5.2 prepare and maintain the budgets for each calendar year (each a "Budget") as well as an estimated total expenditure for the estimated duration of the Consortium;

3.5.3 maintain appropriate bank accounts;

3.5.4 send notices and reminders relating to deadlines under REACH or relating to membership in the Consortium;

3.5.5 provide agendas for the meetings of the General Assembly and Steering Committee;

3.5.6 attend and record the minutes of all meetings of the General Assembly and the Steering Committee;

3.5.7 coordinate and prepare the decision proposals of the Steering Committee to be submitted to the General Assembly;

3.5.8 prepare and send the invoices to funders of the Consortium;

3.5.9 follow up the progress in the technical activities of the Consortium and periodically report on the technical and financial issues to the Steering Committee and to the General Assembly;

3.5.10 provide technical and administrative support to the Steering Committee and to the General Assembly;

3.5.11 supervise external consultants and experts appointed by the General Assembly and the Steering Committee.

3.6 The Secretariat shall initially be the International Lead Association (formerly Lead Development Association International "LDAI" and ILA-Europe) Bravington House, 2 Bravingtons Walk, London N1 9AF, which organisation may be replaced by at least two thirds majority vote of the General Assembly present thereat. The Secretariat and the General Assembly may request assistance from attorneys,

accountants, consultants, and other special advisors and agents from time to time as they may in their reasonable opinion consider appropriate.

3.7 Any agreements duly authorised by the General Assembly or Steering Committee in accordance with the terms of this Agreement or expressly authorised by this Agreement may be executed on behalf of the Consortium by the Secretariat. All reasonable expenses, costs, and liabilities of the Secretariat to the extent that such expenses, costs and liabilities so incurred in connection with REACH Compliance and in connection with the performance of its responsibilities under this Agreement shall be paid and/or reimbursed by the Consortium and (to the extent possible) shall be included in the Budget for each calendar year.

3.8 Meetings of the General Assembly shall be held at appropriate intervals or at the call of the Chair or of any ten Consortium Members (acting in concert). Notice of all meetings shall be given to each Committee Representative not less than twenty one days prior to each meeting, unless at least four fifths of all Consortium Members agree in writing to lesser notice. Meetings shall be open to each Committee Representative, his designated proxy, and up to one additional person from each Consortium Member provided that any additional persons so present shall not be entitled to vote. Meetings may be held in person or by teleconference (and where relevant any telephone vote shall be noted by the Secretariat). Each notice of a meeting shall: (i) specify a reasonably detailed agenda, (ii) be accompanied by any relevant papers and (iii) be sent either by a courier, registered post, by facsimile transmission or by electronic mail.

Steering Committee

3.9 A steering committee of the Consortium (the "Steering Committee") shall be established consisting of a chair (the "Steering Chair") (who shall be appointed and may be replaced by a two thirds majority vote of the Steering Committee present or represented thereat), who shall be one of seven Committee Representatives (or such greater number of Committee Representatives as the General Assembly may allow from time to time) and who shall be approved by at least a two thirds majority vote of the General Assembly present or represented thereat. Steering Committee representatives may be replaced by at least two-thirds majority vote of the General Assembly present or represented thereat but in any event each Steering Committee representative shall retire from office at the next General Assembly meeting after the second anniversary of his appointment but if the General Assembly, at the meeting at which the Steering Committee representative retires, fails to fill the vacancy so vacated and that representative is willing to act he shall be deemed to have been reappointed for a further two year term. The Secretariat shall also serve as secretary of the Steering Committee. It is also agreed that of the seven Committee Representatives to be appointed to the Steering Committee the lead stabiliser producers and the lead oxide producers (for such time as each group shall have an interest in the Consortium) shall each have the right to have appointed one representative to represent each group to the Steering Committee. In the event that more than seven members are appointed to the Steering Committee then the lead stabiliser producers and lead oxide producers shall each be entitled to have appointed such greater number as shall represent such proportionate representation on the Steering Committee as contemplated above provided always that such proportionate representation shall not exceed that which

will be granted based on seven Steering Committee representatives being appointed (and for this purpose any fractions shall be discounted in calculating such entitlement).

3.10 The Steering Committee shall formulate and prepare proposals related to REACH Compliance for consideration by the General Assembly. Except as expressly provided in this Agreement or as expressly directed in writing by the General Assembly the Steering Committee shall have no authority to act on behalf of the General Assembly. The Steering Committee through the Secretariat shall prepare the meetings of the General Assembly and shall see to a proper formulation and timely distribution of the proposals to be considered by the General Assembly in accordance with Section 3.8. The Steering Committee may set up expert/technical groups, including (without limitation) expert groups on human health and the environment, according to need and or appoint external consultants for those purposes. Meetings of the Steering Committee shall be held at appropriate intervals or at the call of the Steering Chair. Notice of all meetings shall be given to all members of the Steering Committee not less than ten business days prior to each meeting, unless all such members shall agree in writing to lesser notice. Meetings may be attended in person or by teleconference (and where relevant any telephone vote shall be noted by the Secretariat). Each notice of meeting shall: (i) specify a reasonably detailed agenda, (ii) be accompanied by any relevant papers and (iii) be sent by courier, registered post, by facsimile transmission, or by electronic mail.

3.11 Each Consortium Member having a representative appointed to the Steering Committee is entitled to one vote. The Steering Committee shall make its decisions by a two thirds majority of its members to the extent not otherwise provided for in this Agreement. The Steering Chair shall not have an extra or casting vote. Any Consortium Member (other than those having a representative appointed to the Steering Committee), Associate Members or any other person whom the Steering Committee considers to have an interest may be invited to participate in the meetings of the Steering Committee as guests provided that they shall have no voting rights. The quorum of the Steering Committee shall be four.

3.12 Committee Representatives (other than the Secretariat) serving on the General Assembly or on the Steering Committee shall serve in their respective positions for no compensation or remuneration whatsoever. Any legal advisors, accountants, special advisors, consultants, or agents engaged by the General Assembly or the Steering Committee, and the Secretariat in carrying out any functions relating to REACH Compliance generally shall be entitled to receive reasonable compensation from the Consortium for their services.

3.13 The decision to submit the Joint Registration shall require a vote in favour of at least two-thirds of Consortium Members in General Assembly who are affected by a particular registration and for the avoidance of doubt a Consortium Member shall be affected if it is required to Register in respect of a specific Substance to which the proposed Joint Registration applies.

3.14 A Consortium Member representative shall retire from the Steering Committee forthwith in the event of revocation of his appointment or in the event of being permanently prevented from participating in the Steering Committee.

3.15 A Consortium Member representative shall be excluded from voting on the Steering Committee in the event of conflicts of interest (e.g. where a pecuniary or sole advantage is to be derived by that Consortium Member upon such matter in question) and on tests required for a Substance Group to which that Consortium Member does not belong.

3.16 In as much as required for compliance with duties under competition law, the Steering Committee shall commission a suitable person (who shall (to the extent possible at Law) be the Secretariat) for the development and processing of information for Registration purposes and this provision shall apply (without limitation) to any information which Consortium Members have to submit to the person so appointed regarding manufacture/import tonnages pursuant to Schedule 8 hereto. In the event that such information is collected by the person so appointed they shall inform the Consortium in aggregated form about the information obtained thereby observing confidentiality. The person so appointed must agree to and observe confidentiality and secrecy with respect to information provided by Consortium Members or Associate Members and shall be subjected to a confidentiality agreement.

3.17 The working language of the Consortium shall be English.

4. "Lead Registrant"

4.1 In the event that any Consortium Member(s) is/are to be appointed as a "Lead Registrant" for any Substance as prescribed by REACH then the following provisions of this clause 4 (except clause 4.5) shall apply.

4.2 Any Consortium Member(s) to be appointed as a "Lead Registrant" for any Substance shall be authorised for such appointment by a two thirds majority of the General Assembly.

4.3 The Consortium Members authorise and direct full and timely compliance by a "Lead Registrant", and a "Lead Registrant" hereby agrees to comply on behalf of the Consortium Members with: 1) all the provisions of REACH pursuant to which the "Lead Registrant" is entitled to act on behalf of the Consortium Members; and 2) the duties set out within this Agreement relating to a "Lead Registrant".

4.4 A "Lead Registrant", with the assistance of the Secretariat, shall prepare and submit to the Agency, on behalf of the Consortium Members and in the format specified by the Agency, the information required pursuant to Article 10(a)(iv), (v), (vi), (vii), and (ix) in accordance with Article 11(l)(d) and the chemical safety report required pursuant to Article 10(b) by the last business day of the fortieth month after the entry into force of REACH (the "Joint Registration") on the basis of the highest tonnage band.

4.5 In the event that a person other than a Consortium Member proposes to become a "Lead Registrant" for any Substance the Consortium Members shall use all reasonable efforts to ensure that a Consortium Member is appointed as the "Lead Registrant" but in the event that a "Lead Registrant" shall be such person other than a Consortium Member then the Consortium Member so nominated by the

Consortium to be the “Lead Registrant” shall seek to procure that the provisions of this clause 4 are fulfilled mutatis mutandis.

4.6 To the greatest extent possible under the laws of the relevant jurisdiction, a “Lead Registrant” shall not be liable for and the Consortium Members shall pay for insurance to cover or shall indemnify any “Lead Registrant” against, and hold any “Lead Registrant” harmless from, all liabilities and claims (including reasonable lawyer’s fees and expenses in defending against such liabilities and claims) against a “Lead Registrant” arising in connection with the performance by a “Lead Registrant” of its obligations as “Lead Registrant” pursuant to this Agreement other than liabilities attributable to the gross negligence, fraud or wilful misconduct of a “Lead Registrant” .

4.7 A “Lead Registrant” shall forward within five business days any communications received from the Agency or the Member State Authority to the Secretariat by facsimile, registered post or electronic mail.

4.8 A “Lead Registrant” shall use all reasonable efforts to make any appeals under REACH in the case of any rejection, objection, or request by the Agency or the Member State Authority relating to the Consortium’s compliance with the requirements of REACH Compliance, unless a two thirds majority of the Consortium Members in the General Assembly vote against such action.

5. Organisation

5.1 The rights and obligations arising from this Agreement shall not constitute a legal entity between the Parties. In external legal relations, the Consortium shall not act under its own name but as a community of all individually designated Parties referred to collectively the Consortium Members are subject of the rights and duties of the Consortium and shall be referred to as Lead REACH Consortium.

6. Development of Core Data

Provision of Existing Studies on Core Data

6.1 Other than in relation to the VRAL Report the Parties agree to provide the Secretariat with any proprietary relevant studies and other available studies on core data concerning the Substance which they have conducted for the purposes of Registration or otherwise.

6.2 On the basis of competent analysis respecting the usability of the studies made available for Registration in accordance with clause 6.1 above, the Steering Committee shall determine their financial value on the basis of their relevance and usability.

Determination of New Test Data

6.3 To the extent required under Annexes VII to XI REACH the Steering Committee shall define the end points that are still subject to testing and shall thereby take into account the regulations specified in Annex XI REACH governing “Waiving”. The

Steering Committee shall initiate testing or, to the extent provided for in Annexes IX to X REACH, shall formulate testing proposals for additional tests pursuant to Article 10 a) ix) REACH and any further work that the Consortium Members consider necessary.

7. Preparation of a Chemical Safety Report

Uses

7.1 Uses of the Substance to be assessed in the chemical safety report are listed in Schedule 4 as may be amended or updated from time to time by the approval of the Steering Committee.

Development and Provision of Information Concerning Chemical Safety Assessment

7.2 To the extent available, Parties shall provide the Secretariat with the required studies, in particular with respect to Substance exposure, for the purposes of the chemical safety report on uses to be assessed jointly.

7.3 The Steering Committee with the assistance of the Secretariat shall arrange for provision of missing studies or data pursuant to clause 7.2 above.

Preparation of the Chemical Safety Report and Guidance on Safe Use

7.4 The Steering Committee with the assistance of the Secretariat shall arrange for the preparation of the chemical safety report and the guidance on safe use of a Substance.

8. Memberships

Admission of New Consortium Members

8.1 By a two thirds majority of the Steering Committee, the Consortium may admit New Consortium Members to the extent that these New Consortium Members are Potential Registrants.

8.2 A New Consortium Member shall sign a Deed of Adherence agreeing to be bound by the terms and conditions set out in this Agreement and the Non Disclosure Agreement. The New Consortium Member at the time of admission to the Consortium shall pay as follows:

8.2.1 Its Pro Rata Share (as indicated by the Steering Committee through the Secretariat and as calculated in accordance with the principles set out in clause 9 and Schedule 8 hereto) being a portion of the expenses and liabilities (excluding those expenses and liabilities of the current financial year in which the New Consortium Member joins the Consortium which are dealt with at clause 8.2.3 below) incurred by the Consortium at the date of admission to the Consortium which admission fee shall be treated as a prorated refund to the other Consortium Members which refund shall

be carried over into the next financial year(s) and set-off against any entitled Consortium Members' Pro-Rata Share for that year or the next (provided that it is anticipated that the Consortium will continue to exist and/or further funding will be required).

8.2.2 In addition to the admission fee referred to in clause 8.2.1 above the New Consortium Member shall also pay interest on the admission fee from such time as those expenses and liabilities were so incurred by the Consortium until payment is received in full of the admission fee at a rate of 3% above the London Interbank Offered Rate (LIBOR) provided that the maximum rate of interest shall not exceed 12% which shall be the maximum rate chargeable.

8.2.3 In addition to the above admission fee and interest the New Consortium Member shall also pay its Pro Rata Share for that current financial year as prescribed by clause 9 of this Agreement. Upon payment in full of the amounts indicated in this clause, the New Consortium Member shall have the full rights and obligations of and be deemed to be a regular Consortium Member and for the avoidance of doubt a New Consortium Member shall not be obliged to make double payments of the same sums under clause 9 for any sum already paid under this clause 8.

8.2.4 In the event that a (New) Consortium Member seeks to join the Consortium and it is deemed inappropriate by the Steering Committee for that member to pay its full Pro Rata Share of subscription fees (as set out herein) then the Steering Committee may charge such lesser fee as it considers equitable in the circumstances.

8.3 Registrants who are not and will not be Consortium Members or Associate Members (e.g., an entity who refuses membership or an applicant who is not accepted as a New Consortium Member by the Steering Committee) may be granted a Letter of Access by the Steering Committee which permits partial or full reference to core data and other information provided by the Consortium solely for the purpose of registration pursuant to REACH. The respective person shall pay such a fee for the right to use the study (such use being exclusively limited for the purpose of that person's sole REACH registration or sole compliance with REACH) as shall be determined from time to time by the Steering Committee. In addition to being required to execute a Letter of Access in the form prescribed in Schedule 6 such person shall also be required to sign a Non Disclosure Agreement as prescribed in Schedule 5 prior to any information being provided to it by the Consortium.

Admission of Associate Members

8.4 The Steering Committee may (by a two thirds majority present or represented thereat) admit Associate Members if they can contribute to the objectives of the Consortium. Such Associate Members shall pay such subscription fees as the Steering Committee may decide from time to time and such Associate Members may attend General Assembly meetings and Steering Committee meetings including without limit expert/technical group meetings (if invited) but shall have

no voting rights. Associate Members shall not be entitled to use or disclose any Confidential Information for any purpose related to Registration of any Substance other than as previously prescribed in writing by the Steering Committee.

Withdrawal of a Consortium Member

8.5 A Consortium Member or Associate Member withdraws from the Consortium by termination or through expulsion from the Consortium.

8.6 Termination is permissible to the end of a calendar year with a notice period of 6 months if circumstances have arisen respecting the Consortium Member which lead to discontinuation of the Registration requirement for that Consortium Member or in the event of other serious reasons which make continued membership in the Consortium untenable.

8.7 If a two thirds majority of the General Assembly reasonably believes a Consortium Member or Associate Member is in breach of the terms of the Agreement (the "Breaching Member"), and such breach is capable of remedy then upon a vote in favour of at least a two thirds majority of the General Assembly, the General Assembly shall direct the Secretariat to give the Breaching Member notice that the Breaching Member is believed to be in breach of the Agreement and that it has thirty days (the "Remedy Period") in which to remedy the breach. If, upon expiration of the Remedy Period, a majority of the General Assembly reasonably believes that the Breaching Member remains in breach or in the event that the breach is not capable of remedy, then upon a vote in favour of at least a two thirds majority of the General Assembly, the Breaching Member shall be expelled from the Consortium. Expulsion of the Breaching Member shall not relieve the Breaching Member of any funding obligations to which it is committed pursuant to this Agreement and the Breaching Member shall not be entitled to any refund of monies at any time paid by it to the Consortium. Additionally, upon a vote in favour of at least a two thirds majority of the General Assembly, a Consortium Member or Associate Member may be expelled from the Consortium and such Consortium Member or Associate Member shall be entitled to a refund of monies paid by it to the Consortium, provided it is not a Breaching Member. Each Consortium Member or Associate Member hereby expressly acknowledges and agrees that expulsion (whether as a Breaching Member or otherwise) shall not relieve it of its obligation of non-disclosure under clauses 11 and 12 hereof (including without limitation the provisions of the Non Disclosure Agreement) which shall continue for a period of 20 years following first registration of the Substance by a Consortium Member or any other obligations which are intended to survive a Consortium Member or Associate Member ceasing to be a party to this Agreement.

8.8 Expulsion takes place only in the event of serious reasons including without limitation: non payment of subscription fees within the prescribed period; a breach of the code of conduct as set out in Schedule 2; or any other material or repeated breach of this Agreement.

8.9 In the event of withdrawal, the rights pertaining to this Agreement cease to exist but any obligations and liabilities accrued up to termination by the Consortium Member or Associate Member shall continue to subsist notwithstanding

termination including without limit the obligations specified in clauses 8 and 9 and Schedule 8 (regarding payment of fees) and clauses 11 and 12 (regarding confidentiality) of this Agreement (including without limitation the provisions of the Non-Disclosure Agreement which shall continue for a period of 20 years following first registration of the Substance by a Consortium Member or Associate Member). Other Parties' rights of use as specified in clause 11.5 of this Agreement respecting the studies made available by the Consortium Member who has withdrawn or expelled continue to exist.

Liabilities of Members

8.10 The Consortium Members and members of any committees, and all managers, secretaries and other officers or servants of the Consortium shall be indemnified and held harmless (other than in circumstances of fraud, gross negligence or wilful misconduct) by the Consortium against any and all liabilities which any such person may incur or become liable to by reason of any contract entered into or act or deed done by him in the proper discharge of their duties arising in connection with this Agreement and it shall be the duty of the General Assembly to pay all costs, losses and expenses out of funds of the Consortium.

8.11 Save as otherwise provided for in the Agreement, no Consortium Member or member of any committee shall be liable to any other Consortium Member thereof, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Consortium through the insufficiency or deficiency of any security in or upon which any of the funds of the Consortium shall be invested, or for any loss or damage arising from the bankruptcy or insolvency or wrongful act of any person with whom any moneys, securities or effects shall be deposited, or for any loss, damage or misfortune whatsoever which shall happen in the execution of the duties of his office or in relation thereto other than in circumstances of fraud gross negligence or wilful misconduct of a Consortium Member.

Non Community Consortium Members

8.12 Consortium Members established outside the Community who manufacture any of the Substances that are imported into the Community shall appoint a representative situ within the Community ("Only Representative"). For the purposes of this section "Community" shall have the same meaning herein as in REACH.

Changes in Consortium Membership

8.13 No Consortium Member or Associate Member may sell, assign, transfer, pledge, hypothecate, or otherwise encumber its rights or obligations hereunder or with respect to the REACH Compliance without the prior written consent of a two thirds majority of the General Assembly.

9. Payments by Consortium Members

9.1 Upon joining the Consortium and for each subsequent year the Consortium continues to exist each Consortium Member shall pay upon request from the Secretariat its Pro Rata Share of costs as prescribed in Schedule 8 or as otherwise

set out in this Agreement (as may be adjusted from time to time). For the purposes of this Agreement, a Consortium Member's "Pro Rata Share" shall mean its share of the aggregate amount of the total expenses and liabilities of the Consortium in a financial year as set out in this Agreement, whether incurred at any time before or after such Consortium Member became a party to this Agreement.

9.2 In each calendar year, upon a Budget being prepared by the Secretariat and approved in General Assembly with respect to that calendar year, each Consortium Member shall pay an amount equal to the Consortium Member's Pro Rata Share (as determined by reference to the Budget for such calendar year) provided that if a Budget is not so approved within 60 days after the commencement of each financial year each Consortium Member shall be required to pay such fees as are prescribed in Schedule 8 hereto and appropriate adjustments shall be made upon the Budget being approved.

9.3 The General Assembly (or the Steering Committee to the extent permitted by this Agreement or the General Assembly) shall be entitled to authorise expenditures in excess of those identified in a Budget in which case such expenditures shall become part of the Budget for the year to which the expenses relate for the purposes of determining a Consortium Member's Pro Rata Share. In the event that any Substance Specific Research is requested by any Consortium Member(s) which only relates to a specific Substance Group and such research has been approved by the relevant Substance Group to which it relates (by way of a two thirds majority of the Substance Group evidenced by way of written resolution signed by a two thirds majority of the relevant Substance Group) and provided that the Substance Group shall (in advance in writing to the Steering Committee through the Secretariat) undertake to pay all costs, expenses and claims arising from such research and indemnify and hold harmless the Consortium Members in respect of the same then such research may be conducted by the Consortium through the approval of the Steering Committee.

9.4 For the avoidance of doubt in the event that any person becomes a Consortium Member subsequent to payments having been made by the then Consortium Members in respect of the liabilities and expenses of the Consortium, appropriate adjustments shall be made in the cost sharing accounts of the Consortium Members so that at all times the paid-in Pro Rata Share of each Consortium Member shall be proportionate to the Consortium Member's Pro Rata Share.

9.5 The Secretariat shall be authorised under this Agreement from time to time to invoice each Consortium Member an amount that, when aggregated with other amounts similarly invoiced to other Consortium Members will not exceed the Consortium Member's Pro Rata Share for that calendar year, whereupon each Consortium Member shall advance such funds within thirty calendar days of the date of the invoice in accordance with the Steering Committee's instructions. A Consortium Member that has not, within ninety calendar days of the date of the invoice, advanced in full the amount demanded shall be deemed to be in breach under clause 8.7.

9.6 For the avoidance of doubt registration fee(s) per registered Substance due to the Agency shall be borne by each Party to which they apply. Such fees are not included in any of the costs of the Consortium and the payment of the registration

fees to the Agency shall not be borne by the Consortium but by each registering Party.

9.7 It is hereby agreed by each Consortium Member that the cost of producing the IUCLID files in relation to the Substances will not form part of the annual Budget and each Consortium Member shall contribute a proportionate share of cost per Substance in which they have an interest in respect of the IUCLID files (and for the purpose of this clause “interest” shall mean any data (generated by the Consortium) which is required by a Consortium Member in order for it to comply with REACH).

9.8 The liability of each Consortium Member for the expenses and liabilities of the Consortium shall be several and not joint.

9.9 Appropriate accounts shall be established and maintained by the Secretariat reflecting the respective obligations of and payments made by each Consortium Member.

10. Accounting and Financial Controls

10.1 The General Assembly shall cause the Consortium to conduct its activities at all times in accordance with high standards of business ethics. The Secretariat shall maintain the Consortium’s accounts in accordance with generally accepted accounting principles consistently applied and shall:

10.1.1 maintain full and accurate books, records, and accounts that shall, in reasonable detail, accurately and fairly reflect the cost sharing accounts of the Consortium Members and all transactions, assets and liabilities of the Consortium;

10.1.2 retain such books, records, and accounts for such period of time as may be required by law and thereafter for such period of time as may be reasonable;

10.1.3 permit Consortium Members reasonable access to such books, records, and accounts for the purpose of providing such information therefrom as any such Consortium Member may reasonably request (but this shall specifically exclude any information concerning Consortium Members’ market behaviour in particular on production capacities, production or sale volumes, imported volumes, market shares or any other information that the Steering Committee may in their reasonable opinion consider should not be provided in order to ensure the Consortium’s compliance with the provisions of Schedule 2 hereto);

10.1.4 devise and maintain a system of internal controls sufficient to provide reasonable assurances that transactions of the Consortium are executed in accordance with required authorisations;

10.1.5 present regular operating and development plans and budgets to the General Assembly for approval;

10.1.6 prior to April 1 of each calendar year, provide to the General Assembly regular annual financial statements by the Secretariat, which financial statements shall include such appropriate financial information reasonably requested by the General Assembly; and

10.1.7 cause to be prepared all periodic or special reports or other filings required by any relevant authority, which reports and filings shall be approved by the General Assembly prior to filing.

11. Non-Disclosure of Information

11.1 Each Party agrees to be bound by the provisions of the Non-Disclosure Agreement of even date herewith ("Non-Disclosure Agreement"), a copy of which is attached hereto at Schedule 5.

11.2 Each Consortium Member agrees that, if it has any information that it wishes to provide to the Consortium and that information constitutes Confidential Information, as defined under the Non-Disclosure Agreement, it will provide such Confidential Information directly to the Secretariat and not to any Consortium Member (including any "Lead Registrant"). The Secretariat and the Consortium Members each agree that, to the extent Confidential Information is used in any way for REACH Compliance or similar regulatory compliance in the Community or elsewhere or is made public pursuant to this Agreement, the Consortium Members or Associate Members shall not seek to enjoin, seek damages for, or otherwise object to, such use of the Confidential Information by the Consortium, including such use after the termination of the Consortium under Section 14.1 hereof.

11.3 Each Consortium Member agrees not to disclose to any other Consortium Member any Confidential Information that relates in any way to production capacities, production volumes, sales volumes, imported volumes, market shares, pricing information, or future business plans.

11.4 It is hereby acknowledged and agreed that only Consortium or Associate Members who are signatories to this Agreement shall be entitled to the rights and benefits arising from this Agreement (including without limit the right to use the Confidential Information which is available to the Consortium) and Consortium or Associate Members shall not be entitled to share or disclose any Confidential Information with any third party other than as prescribed by this Agreement and the Non Disclosure Agreement and in the event that any Consortium or Associate Member is a corporate entity they may not disclose such Confidential Information to any member or that member's representative within its Group of Companies outside its own corporate entity.

11.5 In the event that any Consortium Member or Associate Member withdraws or is expelled from the Consortium the Consortium may continue to use the Confidential Information that person either directly contributed or jointly owned by its participation in the Consortium despite such withdrawal or expulsion.

11.6 It is hereby acknowledged and agreed that the Steering Committee acting by a two thirds majority may amend or update the information or any agreement

contained in Schedules 1 to 4 in circumstances where the Steering Committee deem it necessary.

12. Property Rights

12.1 Any property rights (including without limit any intellectual property rights “IPR”) applicable to any existing Confidential Information (including without limit the VRAL) made available to the Consortium shall remain the property of the party who provided the Confidential Information provided any person deriving rights to use such Confidential Information pursuant to this Agreement shall have the right to use the Confidential Information for the purpose of complying with the requirements of REACH (or for whatever restricted purpose that the Steering Committee shall prescribe from time to time in the case of Associate Members or other non Consortium Members) under the terms of this Agreement and further provided that such persons have paid their Pro Rata Share or other monetary contribution as required under this Agreement provided that upon withdrawal or expulsion of such persons those rights shall immediately terminate.

12.2 The Consortium Members to this Agreement shall have joint ownership of the information generated or developed by the Consortium to the extent that they pay their Pro Rata Share of the costs associated with such information.

12.3 It is understood and agreed by the parties that certain research papers in the VRAL have been published and are consequently in the public domain and it is confirmed that no such disclosure shall constitute a breach of this Agreement or the Non-Disclosure Agreement as attached at Schedule 5. It is also agreed and acknowledged that future research studies which may be conducted by the Consortium in association with a research or learning institution may also be published and these specific releases by any Consortium Member or the Secretariat into the public domain (after two thirds majority approval of the Steering Committee) shall not constitute a breach of this Agreement or the Non Disclosure Agreement.

12.4 It is also hereby acknowledged and agreed that there may be benefits to the Consortium Members in disclosing Confidential Information (other than the Confidential Information referred to in Clause 11.3) to any statutory authority or other authority and in the event that a two thirds majority of the Steering Committee approve such disclosure it may be released provided that such decision shall have been communicated to all Consortium Members in writing and no more than 10 per cent of the Consortium Members object to such disclosure in writing within 14 days from receipt of such written notice in which event the proposed disclosure must then be approved by a two thirds majority of the General Assembly.

12.5 Notwithstanding the foregoing, the General Assembly or a person who has supplied Confidential Information relating to itself may decide to instruct the “Lead Registrant” when filing the Registration Dossier to mark certain information contained therein as confidential information and to submit any requested justification for non-disclosure of such information to the Agency.

13. Governing Law

13.1 This Agreement is governed by, and all disputes arising under or in connection with this Agreement shall be resolved in accordance with, the laws of England.

14. Termination

14.1 This Agreement shall terminate upon a vote of at least two-thirds of the Consortium Members at a meeting of the General Assembly.

14.2 Upon termination of this Agreement and the Consortium under clause 14.1 hereof, and after payment of all expenses and liabilities related to REACH Compliance as authorised by the General Assembly in accordance with the terms of this Agreement, any balance remaining of amounts paid by the Consortium Members shall be returned to the Consortium Members in such equitable manner (based upon their Pro Rata Share) as may be directed by the General Assembly.

14.3 The provisions of Sections 11 and 12 hereof and the Non-Disclosure Agreement shall survive the termination of this Agreement and the withdrawal or expulsion from the Consortium of any Consortium Member or Associate Member.

15. Counterparts

15.1 This Agreement may be executed in counterpart by all the Parties to this Agreement and such counterparts shall be held by the Secretariat as custodian of this Agreement.

16. Notices

16.1 All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or sent by recognised international air courier service or by facsimile, or by electronic mail to each Consortium Member's Committee Representative or other person established hereunder at its address specified in Schedule 3 hereto or such other address as may subsequently be duly notified to the Consortium.

17. Entire Agreement – Written Amendment

This Agreement constitutes the sole and entire agreement between the Parties in the respect of the subject matter thereof and supercedes all prior contracts or agreements between such Parties with respect to such matters. This Agreement may not be modified, amended or otherwise varied, except by further written instrument executed by the Parties.

18. No Waiver

No delay or failure by any Party to exercise or enforce at any time provision of the Agreement shall be considered as a waiver thereof. No waiver shall be effective unless it is in writing.

19. Severability

19.1 If any term or provision of this Agreement or the application thereof to any circumstance shall, in any jurisdiction and to any extent, be invalid or unenforceable, such term or provision shall be ineffective as to such jurisdiction to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable any remaining terms and provisions hereof or the application of such term(s) or provision(s) to circumstances other than those to which it is held invalid or unenforceable. To the extent permitted by applicable law, the Parties hereto hereby waive any provision of law that renders any term or provision hereof invalid or unenforceable in any respect.

20. No Partnership

20.1 It is not the intention of the Parties to create, nor shall this Agreement be construed to create, a commercial or other partnership. None of the Parties shall be deemed an employee, agent, partner, or joint venture of any other. Except as authorised by this Agreement, no Party shall make any commitment, by contract or otherwise, binding upon any other Consortium Member nor represent that it has any authority to do so. Except as expressly authorised by this Agreement, neither the Consortium, nor any Party, whether acting through the General Assembly or otherwise, shall have the authority to act for or to assume any obligation or responsibility on behalf of any other Party.

21. Dispute Resolution

21.1 Without prejudice to provisions of clauses 21.3 and 21.4, any and all disputes, controversies or claims which may arise between the Parties in connection with the interpretation of any provision of this Agreement or its validity or enforceability, or the breach or termination of it, or the performance or non performance of any obligations under the terms and conditions of this Agreement, shall be settled by an amicable effort on the part of the Parties.

21.2 An attempt to arrive at a settlement shall be deemed to have failed as soon as one of the Parties so notifies the other Party in writing. Should such attempt at an amicable settlement fail, the dispute shall be settled by arbitration under the Rules of Conciliation and Arbitration of the International Chamber of Commerce. The decision of this Chamber shall be final and binding for all Parties to this Agreement.

21.3 The arbitral tribunal shall consist of such number of arbitrators as represents each Party and a further arbitrator who acts as chairperson; the chairperson shall be a solicitor or barrister of at least 8 years post qualification experience. The arbitral tribunal shall decide on the regulation of the costs of arbitration including out-of-courts costs incurred by the Parties in accordance to the outcome of arbitration. The language of proceedings shall be English. The venue of arbitration shall be London.

21.4 Notwithstanding clause 21.2 above, before resorting to arbitration, the Parties shall attempt to settle by negotiations between them in good faith all disputes or differences which arise between them out of or in connection with this

Agreement. The Parties further agree that (provided the Parties consider that such negotiations would be assisted thereby), they will appoint a mediator by mutual agreement, or (failing mutual agreement) will apply to the International Dispute Resolution Centre to appoint a mediator, to assist them in such negotiations. The Parties agree to cooperate fully with such mediator, provide such assistance as is necessary to enable the mediator to discharge its duties, and to bear equally between them the fees and expenses of the mediator.

21.5 Notwithstanding clause 21.2 above, any Party shall be entitled to apply to the judicial Courts of England and Wales for interim relief including relief relating to disputes, claims, or controversies concerning the confidentiality of information.

IN WITNESS WHEREOF, the undersigned hereby execute this Agreement as of the date first above mentioned by the signatures of their respective duly authorised officers or agents.

SCHEDULE 1
SUBSTANCE SPECIFICATION

Enter the data necessary for exact identification of the Substance to be registered by the Consortium Members. Please note that every Member of the Consortium is required to inform the Agency independently about the identity of the Substance to be registered, observing Appendix VI, REACH. There may be need for reconciliation.

If a category of Substances is the subject of the Consortium, all substances belonging to the category manufactured or imported by the Consortium are to be stated here.

Substance	CAS Number	Substance	CAS Number
Lead	7439-92-1	Neutral lead stearate	1072-35-1
Lead Oxide	1317-36-8	Dibasic lead stearate	12578-12-0
Lead Tetroxide	1314-41-6	Dibasic lead phosphite	12141-20-7
Dibasic lead phthalate	69011-06-9	Polybasic lead fumarate	90268-59-0
Basic lead sulphate	12036-76-9	Basic lead carbonate	1319-46-6
Tribasic lead sulphate	12202-17-4	Basic lead sulphite	62229-08-7
Tetrabasic lead sulphate	12065-90-6	Battery Oxides	

SCHEDULE 2

CODE OF CONDUCT

I.

The Consortium Members or Associate Members shall not make any agreements concerning coordination of conduct that restrict or affect competition within the meaning of Art. 81 EC Treaty and shall observe the prohibition of abusing a dominant market position pursuant to Art. 82 EC Treaties

ANY BREACH OF THESE PROVISIONS WILL BE DEEMED A MATERIAL BREACH OF THIS AGREEMENT RENDERING THE CONSORTIUM MEMBER OR ASSOCIATE MEMBER LIABLE TO IMMEDIATE EXPULSION FROM THE CONSORTIUM IN ACCORDANCE WITH CLAUSE 8 OF THIS AGREEMENT.

Article 81

1. The following shall be prohibited and is incompatible with the common market: all agreements between undertakings, decisions of associations of undertakings and concerted practices which may affect trade between Member States and which have as their object or effect the prevention, restriction or distortion of competition within the common market, and in particular those which:

(a) directly or indirectly fix purchase or selling prices or any other trading conditions;
(b) limit or control production, markets, technical development, or investment;
(c) share markets or sources of supply;
(d) apply dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage;
(e) make the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.

2. Any agreements or decisions prohibited pursuant to this article shall be automatically void.

3. The provisions of paragraph (1) may, however, be declared inapplicable in the case of:

- any agreement or category of agreements between undertakings,
- any decision or category of decisions by associations of undertakings,
- any concerted practice or category of concerted practices,

which contributes to improving the production or distribution of goods or to promoting technical or economic progress, while allowing consumers a fair share of the resulting benefit, and which does not:

(a) impose on the undertakings concerned restrictions which are not indispensable to the attainment of these objectives;
(b) afford such undertakings the possibility of eliminating competition in respect of a substantial part of the products in question.

Article 82

Any abuse by one or more undertakings of a dominant position within the common market or in a substantial part of it shall be prohibited as incompatible with the common market in so far as it may affect trade between Member States.

Such abuse may, in particular, consist in:

(a) directly or indirectly imposing unfair purchase or selling prices or other unfair trading conditions;
(b) limiting production, markets or technical development to the prejudice of consumers;
(c) applying dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage;
(d) making the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.

II.

The Consortium Members and Associate Members shall act in compliance with the following checklist:

DO	DON'T
Application of competition law	
Art. 81 and 82 EC Treaty may be applicable to the foundation and activities of a Consortium.	Don't assume that conflicts with competition law are excluded simply by the fact that the Consortium complies with the provisions of REACH .
Consultation in Matters of Competition Law	
Consult an in-house legal expert or the compliance officer of your company or an external legal counsel whenever there are uncertainties respecting compliance with competition law. Stop all Consortium meetings/discussions which are not in compliance with the Code of Conduct until a legal expert has been involved.	Don't assume that the Code of Conduct deals with all competition law issues exhaustively. Basically, compliance with Art. 81 and 82 EC Treaty can be determined only on the basis of market impact in each individual case. The Code may therefore be regarded only as a source of general conduct recommendations.
Activities of the Consortium	
Restrict cooperation within the scope of the Consortium to the initially defined goals and purposes of the cooperation.	Pursuant to Art. 81 and 82 EC Treaty the following activities are prohibited within the scope of the Consortium: Coming to arrangements about prices, markets and customers (see Art. 81 paragraph 1 a)-e) EC Treaty); Joint boycotting of other companies; The unjustified unequal treatment of trade

	partners; The abusive exploitation of a dominating market position.
Exchange of Confidential Information	
Involve an independent third party for the exchange of confidential information.	The exchange of confidential information concerning market behaviour is inadmissible, in particular as it relates to - production capacities - productions or sales volumes - import volumes - market shares - price policy - distribution and marketing terms - marketing strategies - information regarding supplier relationships
Documentation on Cooperation	
Keep minutes of all meetings of the Consortium which detail the subject of the meeting. Have the contents of the minutes reviewed by an in-house legal expert or the compliance officer of your company prior to sending them to all participants of the Consortium. Stop all meetings which are not in compliance with the Code of Conduct until a legal expert has been involved.	

SCHEDULE 3

CONSORTIUM MEMBERS

[LIST OF CONSORTIUM MEMBERS]

ASSOCIATE MEMBERS

[LIST OF ASSOCIATE MEMBERS]

SCHEDULE 4

USES

[LIST OF USES TO BE ASSESSED IN THE CHEMICAL SAFETY REPORT]

SCHEDULE 5

NON-DISCLOSURE AGREEMENT

Confidentiality, Non-Use and Non-Disclosure Agreement

This CONFIDENTIALITY, NON-DISCLOSURE AND NON-USE AGREEMENT (this "Agreement") is among the signatories of the Lead Reach Consortium Agreement and with any other Party to whom information will be made available either directly or indirectly through the Lead Reach Consortium such as but not limited to persons granted Letters of Access, the Secretariat, the Accountant, Legal Counsel and/or any other third party; hereinafter sometimes referred to individually as a "Party", a "disclosing Party" or a "receiving Party" and collectively as the "Parties".

WHEREAS the Consortium Members are willing to cooperate with each other in the implementation of EU Regulation 1907/2006/EC on Registration, Evaluation and Authorisation of Chemicals (the "REACH Regulation");

WHEREAS the Consortium Members, having a common interest in fulfilling the requirements of the REACH Regulation, wish to form a Consortium open to any entity for the purpose of complying with the REACH Regulation;

WHEREAS the Parties mutually have agreed to disclose, receive and exchange data and information which is to be treated as Confidential Information upon the terms hereinafter appearing (as defined below); and

IN CONSIDERATION OF CONFIDENTIAL INFORMATION BEING MADE AVAILABLE AND RECEIVED BETWEEN THE PARTIES, EACH OF THE PARTIES HAS AGREED TO EXECUTE THIS AGREEMENT AND TO AGREE AS FOLLOWS:

1. For purposes of this Agreement:

   “Associate Company” shall have the meaning given to an associate company in S.416 Income & Corporation Taxes Act 1988.

   “Associate Member” means any and all associate members of the Lead Reach Consortium

   "Confidential Information" means all oral, written and/or tangible and intangible technical, financial, business and/or other data, information or knowledge of whatever kind that is confidential, proprietary and/or not generally available outside of the Lead Reach Consortium, including, without limitation, information relating to the Lead Reach Consortium, present and future Consortium and Associate Members, activities, strategies, plans and concepts, volume estimates, financial data, market information, research and development plans and results, work product, analyses, compilations, studies, reports or other documents or records generated from such data and information, specifications, configurations,

designs, drawings, apparatus, sketches, software, hardware, and other data and information which a disclosing Party is disclosing, exchanging or sharing under this Agreement for the Purpose at any time during the term hereof. "Confidential Information" shall not include any information or knowledge which: (i) is in the public domain other than by a breach in this Agreement or the Lead Reach Consortium Agreement; or (ii) is disclosed to the Secretariat of the Lead Reach Consortium from time to time lawfully by a third party who is not under any obligation of confidentiality; or (iii) is now or hereafter becomes generally known in the industry activities in which the Consortium Members are involved for the present REACH purpose and context, other than by breach of this Agreement.

“Consortium Member” means any and all full members of the Lead Reach Consortium.

“Group of Companies” shall mean any Party which is a company and/or any of its Associate Companies.

“Lead Reach Consortium” means the Lead Reach Consortium which has been formed for the purpose of complying with REACH as regulated by the Lead Reach Consortium Agreement.

“Purpose” means in respect of any person who shall become a Consortium Member to the Lead Reach Consortium for the purpose of Registration of a substance under REACH and in respect of all other persons for their own restricted use as communicated to them by the Lead Reach Consortium other than for the purpose of Registration of a substance under REACH.

2. The receiving Party shall:

    a. hold all such Confidential Information confidential and secret;
    b. use such Confidential Information only for the Purpose in accordance with the Lead Reach Consortium Agreement or as otherwise directed by the Lead Reach Consortium;
    c. reproduce such Confidential Information only to the extent necessary for the Purpose;
    d. restrict disclosure of such Confidential Information to those of its directors, officers, employees, agents or representatives, including financial advisors, consultants and legal advisors within or acting for that legal entity only which is a signatory to this Agreement (collectively, "Representatives") with a need-to-know such information for the Purpose. For the avoidance of doubt other than as stated above no receiving Party shall be entitled to disclose any Confidential Information to any other person. If that Party is a corporate entity then it may not disclose any Confidential Information to any other member entity of its Group of Companies or any of that other member entity’s Representatives. The Parties agree to inform their Representatives of the confidential and/or proprietary nature of the Confidential Information, to make them aware of this Agreement, and to require them to comply with this Agreement; each Party nevertheless being responsible to the disclosing Party and Consortium Members/ Associate Members for any breach of this Agreement by any of its Representatives;

e. not disclose such Confidential Information to any third party without the prior written approval of the Lead Reach Consortium.

3. The foregoing restrictions on the disclosure and use of Confidential Information shall not apply to any information. which is:
    a. at the time of disclosure to the receiving Party, known to such Party free from restrictions on disclosure or use, which shall be evidenced by documentation in such Party's possession; or
    b. publicly known or later made generally public, through no wrongful act of the receiving Party; or
    c. developed by the receiving Party independently from Confidential Information received by it under this Agreement; or
    d. lawfully received, free from restrictions on disclosure or use, from a third party having the right to furnish such Confidential Information and who had not received it directly or indirectly from the receiving Party; or
    e. approved for release in writing by the Lead Reach Consortium.

4. In the event that the receiving party withdraws or is expelled from the Lead Reach Consortium or fails to comply in any respect with the terms of any Agreement upon which the Confidential Information has been disclosed then upon that party receiving written notice from the Lead Reach Consortium that party shall forthwith cease and desist from using the Confidential Information and shall take such action to return such Confidential Information to the Lead Reach Consortium or destroy, delete or otherwise deal with the Confidential Information as directed by the Lead Reach Consortium.

5. No license to a Party under any trademark, patent, copyright or any other intellectual property right is either granted or implied by the disclosure of Confidential Information to such Party under this Agreement or the Lead Reach Consortium Agreement. None of the Confidential Information which may be disclosed or exchanged by the Parties hereunder shall constitute any representation, warranty, assurance, guarantee or inducement by any Party to the receiving party of any kind and, in particular, with respect to the non-infringement of any trademarks, patents, copyrights or any other intellectual property rights or other rights of third parties.

6. The Parties agree that to the extent Confidential Information is used in any way for REACH Compliance or similar regulatory compliance in the Community or elsewhere or is made public by the Lead Reach Consortium, they shall not seek to enjoin seek damages for or otherwise object to such use of the Confidential Information by the Lead Reach Consortium.

7. Neither this Agreement nor any rights or obligations hereunder may be assigned by any Party to any third party without the prior written consent of the other Parties. If a Party assigns this Agreement or any of its rights or obligations hereunder to a third party with the consent of the other Parties, the assigning Party and the third party assignee shall be jointly and severally liable to the other Parties for compliance with all of the obligations so assigned by the assigning Party to the third party assignee.

8. This Agreement shall be valid and binding on a Party for a period of 20 (twenty) years after its execution by that Party, or any other period of time mutually agreed by all of the Parties.

9. Without affecting any other rights or remedies that any Party may have the receiving Party (for itself and on behalf of its Representatives) acknowledges and agrees that damages would not be an adequate remedy for any breach by the receiving Party or any of its Representatives of the provisions of this Agreement and that the disclosing party or Consortium Members/Associate Members shall be entitled to the remedies of injunction, specific performance and other equitable relief for any threatened or actual breach of the provisions of this Agreement by the receiving Party or any of its Representatives and that no proof of special damages shall be necessary for the enforcement of this Agreement.

10. The receiving Party hereby agrees to indemnify and keep indemnified the disclosing Party and the Consortium Members/ Associate Members against any costs claims demands losses or liabilities whatsoever arising directly or indirectly out of any breach by the receiving Party or any of its Representatives of its obligations under this Agreement.

11. No failure by the disclosing Party or the Consortium Members in exercising any right, power or privilege hereunder shall constitute a waiver by it of any such right, power or privilege nor shall any single or partial exercise thereof preclude any further exercise of any such right power or privilege.

12. A person who is not a party to this Agreement has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

13. This Agreement is construed and interpreted in accordance with the laws of England and Wales and all disputes arising under or in connection with this Agreement shall be resolved within the exclusive jurisdiction of England and Wales.

14. This Agreement may be executed in counterpart by all the Parties to this Agreement and such counterparts shall be held by the Secretariat of the Consortium.

Signed for and on behalf of the Lead Reach Consortium
by the ILA acting as Secretariat of the Consortium
(The International Lead Association has been renamed from
ILA and ILA-E, but for the purposes of this agreement is the same legal entity)**:**

Signed for an on behalf of [ ]

by its authorised representative:

Authorised representative's name in print:

Dated:

SCHEDULE 6

LETTER OF ACCESS

[address of regulatory authority]

Letter of Access for the Registration of the Substance …….. *[insert the short name of the substance to be registered] under REACH Regulation EC no 1907/2006*

Dear Sirs,

The Lead Reach Consortium[1] on the registration of the substance …….. *[insert the short name of the substance to be registered]* under *REACH* (herethereafter referred to as "the Consortium") agrees that the data, studies, summaries, waiving argumentations, reasoning of testing proposals and/or assessments specified in detail below owned by Members of the Consortium and submitted by the Consortium in support of the registration under *REACH* of

Substance ……..…… *[insert the exact name of the substance to be registered]*

(hereinafter collectively referred to as the “Dossier”), may be referred

by the Applicant: *[Company XYZ]*

in order to support Applicant’s Registration of the above mentioned Substance under *REACH*.

The Dossier covers documents as follows: *[if reference is restricted to certain parts of the Dossier insert exact name of the data, studies, summaries, waiving arguments, testing proposals and/or assessments]*

[1] At the date of issue of this Letter of Access the Members of the Consortium are: ……*[insert names of the Members of the Consortium]*

The right to use the Dossier is subject to the following restrictions and obligations:

1. The right of use only gives access to the Dossier of the substance for the registration as specified above.

2. The right of use is solely granted in favour of *Company XYZ* and is not transferable to any other entity or person.

3. The Applicant is not authorised to receive any copies of the Dossier nor is the Applicant authorised to inspect or view the Dossier or any related specific document in whole or in part.[2]

4. This Letter of Access shall in no event be construed as granting the Applicant any property rights whatsoever in the Dossier.

5. Nothing in this letter shall require *The Consortium* to file any additional data.

6. Signing an Agreement for access and a Non Disclosure Agreement in the form prescribed by the Consortium.

Signature: Authorised Representative of the Consortium]

[2] Depending on the contract between the Consortium and *Company XYZ* the latter may receive the results and/or summaries/robust summaries of studies directly from the Consortium.

SCHEDULE 7

DEED OF ADHERENCE

THIS DEED is made the day of 200 by [Name of New Member]

WHEREAS:

(A) [Name of New Member] ("the New Member") is entering into this Deed

(B) with the intention of becoming a member of the Lead Reach Consortium and has thus agreed to become a signatory to the Lead Reach Consortium Agreement dated 1st January 2008. This Agreement is entered into in compliance with the terms of clause 8 of the Lead Reach Consortium Agreement.

NOW THEREFORE IT IS HEREBY AGREED as follows:

1.1 The New Member hereby agrees to assume the benefit of the rights of a Consortium Member under the Lead Reach Consortium Agreement and hereby agrees to assume and assumes the burden of a Consortium Member's obligations under the Lead Reach Consortium Agreement to be performed from the Effective Date of the Lead Reach Consortium Agreement.

1.2 The New Member hereby agrees to be bound by the Lead Reach Consortium Agreement in all respects as if the New Member was a party to the Lead Reach Consortium Agreement as one of the parties thereto and to perform:

a) all the obligations of a Consortium Member in that capacity thereunder; and

b) all the obligations expressed to be imposed on such a party to the Lead Reach Consortium Agreement.

1.3 This Agreement is made for the benefit of:

a) the parties to the Lead Reach Consortium Agreement; and

b) any other person or persons who may after the date of the Lead Reach Consortium Agreement (and whether or not prior to or after the date hereof) assume any rights or obligations under the Lead Reach Consortium Agreement and be permitted to do so by the terms thereof

and this Agreement shall be irrevocable in each case only for so long as the Lead Reach Consortium Agreement continues in force.

1.4 None of the parties to the Lead Reach Consortium Agreement:

1.4.1 makes any representation or warranty or assumes any responsibility with respect to the legality, validity, effectiveness, adequacy or enforceability of the Lead Reach Consortium Agreement (or any agreement entered into pursuant thereto); or

1.4.2 makes any representation or warranty or assumes any responsibility with respect to the content of any information regarding the Lead Reach Consortium; or

1.4.3 assumes any responsibility for the financial conditions of the Lead Reach Consortium or any other party to the Agreement or any other document or for the performance and observance by the Lead Reach Consortium or any other party to the Lead Reach Consortium Agreement or any document (save as expressly provided therein);

and any and all conditions and warranties, whether express or implied by law or otherwise, are excluded.

1.5 Words and expressions defined in the Lead Reach Consortium Agreement bear the same meanings herein.

1.6 This Agreement shall be governed by and construed in accordance with the laws of England and the parties hereby irrevocably submit to the exclusive jurisdiction of the English courts.

IN WITNESS THEREOF this Deed of Adherence is executed as a deed on the date and year first above written.

Signed for and on behalf of the Consortium by the ILA acting as Secretariat of the Consortium (The International Lead Association has been renamed from ILA and ILA-E, but for the purposes of this agreement is the same legal entity))

Witnessed by:

Signed for and on behalf of [the New Member] by [authorised representative])

SCHEDULE 8

PRO RATA SHARE OF COSTS

Part 1

Consortium Members of the Lead REACH Consortium will make annual contributions comprising a fixed fee and a tonnage-based levy fee for each of the years 2008 – 2010 and in subsequent years such fee as shall be agreed to by two thirds of the General Assembly.

The fixed fees levy fees and VRAL fees shall represent a Consortium Member's Pro Rata Share requirement (other than any additional fees which may be set in accordance with this Agreement). The fixed fee levy fees and VRAL fees are given in part 2 of this Schedule. The levy rates shall be variable being prepared by the Steering Committee (to meet the requirements of the Budget) and approved by a two thirds majority of the General Assembly. The estimated levy rates are as set out in part 2 of this Schedule.

The levy element of the annual contribution will be based on the tonnage of lead metal or the lead content of lead compounds, manufactured within or imported into the Community, during the previous calendar year. For the avoidance of doubt any reference above to lead content shall be deemed to include lead content of transported isolated intermediates but excepting lead content of lead compounds which are transported to sites within any Group of Companies in which circumstance such a levy shall be paid only once by the entity originally possessing such lead compound. For the purpose of calculating the levy element of a Member's Pro Rata Share each Consortium Member must declare its previous year's manufacture/import tonnages in relation to each Group Substance no later than 31 March each year.

The Consortium reserves the right to have an independent audit conducted of the tonnages declared by any legal entity and such legal entity shall provide all reasonable assistance to allow such audit to be conducted expeditiously and any Consortium Member who is found to have deliberately under-reported their tonnage shall be deemed to be in material breach for the purpose of clause 8 of this Agreement.

The fixed fee element of a Consortium Member's annual contribution to the Consortium becomes due on 1 January each year. The levy element becomes due on 1 April each year. If any payments are not received within 30 days from the date of an invoice then the Consortium Member shall be deemed in breach of this Agreement and shall be liable to pay interest on any outstanding sum at the rate stated in clause 8.2.2 of this Agreement.

In addition to the annual fixed fee and levy fee, Consortium Members who did not contribute to the costs incurred in preparing the VRAL Report or did contribute to such costs but such contribution is an amount less than the VRAL Fee payable by the Consortium Member as stated in part 2 of this Schedule 8 then the Consortium Member shall pay the VRAL Fee after deducting any VRAL Fee contribution previously made by that Consortium Member in order to secure access to the REACH registration data which is based on the VRAL Report ("VRAL Fee"). This fee, which will be equivalent to 50% of the rate paid by the original VRAL funders/owners in acknowledgement of the

tenet that only about half of the VRAL is of direct relevance to the REACH registration, will be redistributed among the original VRAL funders.
The VRAL fee will be payable in three installments on 1 January 2008, 1 January 2009 and 1 January 2010. It will be based on the average tonnage of lead or lead content of compounds manufactured or imported into the Community over the period 2004 – 2006. The contribution rates are given in Part 2 of this Schedule below. The VRAL Fees paid by any Party for the use of the VRAL Report shall be remitted to the VRAL Funders at the direction of the ILA.

Part 2

Contribution rates for 2008 – 2010

FIXED FEES

Annual fixed fee (lead metal manufacturers or importers)	€10,000
Annual fixed fee (lead compound manufacturers or importers)	€7,500

For the avoidance of doubt any Member who is a producer or importer of lead metal and lead compound shall be required to pay the higher lead metal levy of €10,000

LEVY FEES

The Budget for the work of the Consortium is anticipated to be approximately €2,000,000 spread over three years. Assuming that 50 persons join the consortium, the levy rate would be €0.13 per tonne per year.

VRAL FEES

For **lead metal manufacturers and importers** an entry fee of €1.20 per tonne of lead manufactured or imported into the Community, calculated as the average tonnage manufactured or imported over the period 2004 – 2006. This will be charged as follows:

€0.40 per tonne, due on 1 January 2008
€0.40 per tonne, due on 1 January 2009
€0.40** per tonne, due on 1 January 2010

For lead oxide manufacturers and importers an entry fee of the higher of €5,000 or €0.679 per tonne of lead content of compounds manufactured or imported into the Community, calculated as the average tonnage manufactured or imported over the period 2004 – 2006. This will be charged as follows:

€0.226 per tonne, due on 1 January 2008
€0.226 per tonne, due on 1 January 2009
€0.226** per tonne, due on 1 January 2010

For **lead stabiliser producers and importers** an entry fee of the higher of €5,000 or €3.14 per tonne of lead content of compounds produced or imported into the Community, calculated as the average tonnage produced or imported over the period 2004 – 2006. This will be charged as follows:

€1.05 per tonne, due on 1 January 2008
€1.05 per tonne, due on 1 January 2009
€1.05 per tonne, due on 1 January 2010

**Since entry fees will be redistributed amongst the original VRAL funders, this final installment of the entry fee will be adjusted downwards to ensure that the total entry fee comprises exactly 50% of the adjusted contribution rate of original VRAL funders.

Signed for an on behalf of [ ]

by its authorised representative:

Authorised representative's name in print:

Dated: