



Agreement for Substance-specific funding for complex substances (intermediates)

BACKGROUND:

- (A) Companies participating in the Lead REACH Consortium are subject to different fees depending on the substances in which they have an interest. As well as contributing to core Consortium costs via Fixed Fees and Levy Fees, the Consortium Agreement requires that members pay a pro-rata share of any substance-specific costs, subject to a two thirds majority approval from companies declaring an intent to use the Consortium information to fulfil their REACH obligations.
- (B) Consortium members must use this form to declare their intent to use Consortium information to fulfil their REACH obligations for complex substances (intermediates), and to commit to fund a pro-rata share of the substance-specific costs as set out in Appendix 1.

IT IS NOW AGREED:

1. The definitions in the Reach Consortium Agreement shall have the same meaning in this Agreement unless context otherwise admits.
2. In stating "yes" in any of the boxes in column 2 below the Company is agreeing to be bound to pay the pro-rata costs of any Substance Specific Research that is conducted by the Consortium (through the secretariat of the Consortium) for that Substance (as listed in column 1 in the table below) opposite which the Company has stated "yes" in column 2.
3. The estimated costs of such Substance Specific Research for each Substance is as set out in Appendix 1 but in committing to any such research the Company understands that it shall be liable to pay its full pro-rata share relating to that Substance and such payment shall be paid without withholding, set-off or counterclaim within 30 days of receiving an invoice for the same from the Secretariat. Column 3 of the table below attempts to set out the anticipated figure which may be payable as a pro-rata share by a party in respect of Substance Specific Research carried out for any Substance but as with Appendix 1 these figures are only a guideline and are not intended to contractually cap the sums payable hereunder.

4. The Company shall be entitled to receive all invoices, receipts and records which may reasonably be required to verify the fees but the Secretariat's decision as to the fees payable by the Company shall be final and binding upon the Company.
5. For the avoidance of doubt all information supplied to the Company hereunder shall be deemed Confidential Information and the obligations set out in the Reach Consortium Agreement regarding Confidential Information shall extend to this Agreement.
6. This Agreement shall be governed by the Laws of England and Wales and the parties agree to submit to the exclusive jurisdiction of the English Courts.

This form must be completed and returned along with other membership papers.

A summary of the substance-specific work to be undertaken on intermediates and the derivation of anticipated costs per company is given in Appendix 1.

Substance name	Is this a substance for which you intend to use Lead REACH Consortium data to meet your REACH obligations?* (answer "yes" or "no")	Substance-specific cost per legal entity (Euros)
Lead, Bullion		1,100
Matte, Copper -lead		} 2,100
Matte, lead		
Speiss, Lead		7,500
Slags, Lead smelting		2,200
Flue dust, lead refining		} 1,300
Flue dust, lead manuf. Cad rich		
Flue dust, lead blast furnace		
Fume, lead		
Lead dross		1,000
Copper dross		} 2,400
Lead, dross, copper rich		
Lead dross antimony rich		2,000
zinc, desilverising skims		} 2,300
Silver, crusts		

lead antimonial dross		2,900
lead dross, bismuth rich		3,000
waste, battery reprocessing		2,200
residues, lead smelting waste water treatment		10,000
Slimes + sludges, battery scrap antimony + lead -rich		5,500
Residues – lead smelting		***
Lead alloy, base, dross		***
Lead alloy, base, Pb,Sn, dross		2700
Slags, lead reverbatory smelting		7000
Triple alloy		***

* You must declare all the substances for which you intend to use Pb REACH Consortium information to fulfil your REACH obligations. This includes substances you manufacture in the European Community or import into the European Community. These obligations may include, for example, the obligation to communicate information down the supply chain.

** SIEFs merged. Only one fee payable.

*** Contact the Consortium

Company name (PRINT) _____ (“the Company”)

Company representative (PRINT) _____

Signature: _____

Dated: _____

Please return this form to:

International Lead Association

Bravington House

2 Bravingtons Walk

London N1 9AF

Tel: +44 (0)20 7833 8090

Fax: +44 (0)20 7833 1611

Appendix 1

Request for substance-specific funding for the preparation of registration files for complex substances (intermediates)

Background

At the June 2009 General Assembly meeting of the Lead REACH Consortium it was agreed that the Consortium would coordinate the preparation of joint registration material for 26 intermediate substances, i.e. complex process materials resulting from the production and processing of lead. It was also agreed that, based on sameness considerations, several SIEFs should be merged, thus reducing the number of individual registration files required to 20. Registration files are to be prepared according to the REACH data requirements for transported, isolated intermediates in the >1000 tonnes per year band and which are handled under strictly controlled conditions throughout their life cycle. It should further be noted that, at the December 2009 GA meeting it was agreed to delete “lead residues, cadmium containing flue dust” from the Consortium’s scope, thus reducing the number of registration files to be prepared down to 19.

General REACH coordination activities for intermediates as well as the preparation of the chemical safety reports are funded through the Consortium’s core budget. A contribution to core Consortium costs for intermediates is raised via the Consortium’s standard Levy Fee, which is charged on the lead content of intermediate substances.

In addition to general coordination activities, REACH requires the preparation of IUCLID files for each intermediate. Furthermore, in order to meet the minimum data requirement for intermediates, speciation and physico-chemical tests are being conducted for each intermediate. These are deemed to be “substance-specific” costs, meaning that the costs are to be split equally amongst those companies intending to register a particular intermediate. This appendix explains the basis of the substance-specific costs for intermediates.

IUCLID and Testing Costs (per intermediate)

IUCLID files were prepared by an external consultant for each of the 19 grouped intermediates (assuming a minimum number of companies agrees to co-fund the work – see below). A worst case cost of €5,000 per intermediate was assumed for this exercise.

Testing of the grouped intermediates has been carried out for compliance with the minimum REACH data requirements. The first stage of this testing involved characterising the speciation of each intermediate. This was necessary in order to derive the worst case classifications according to the EU CLP Regulation (Classification, Labelling and Packaging of Substances and Mixtures). The second stage of testing involved testing a limited number of physico-chemical properties of the intermediates in

order to meet the requirements of Annex VII to the REACH Regulation. For the purposes of budgeting, a worst-case cost of €8,000 per test was assumed (speciation + physico-chemical testing).

For the grouped intermediates, speciation testing has been conducted on samples provided by between 1 and 3 companies in order to ensure the data generated are typical for the sector. For budgeting purposes, it was assumed that samples from all companies are also tested for physico-chemical properties. Based on these assumptions, the worst case substance-specific costs for each intermediate can be calculated, e.g.

Intermediate for which two companies are sampled:

Speciation/phys-chem testing	€16,000
IUCLID file generation	€5,000
Total	€21,000

IUCLID and Testing Costs (per company, per intermediate)

According to the Consortium Agreement, the above substance-specific testing costs must be split equally between those companies in the Consortium intending to use the Consortium's data to meet their REACH obligations for a particular intermediate.

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