Lead REACH CONSORTIUM

Dear Sir/Madam

CONSORTIUM PRO RATA SHARE OF COSTS

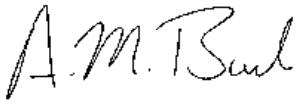
Thank you for your recent enquiry regarding membership of the Lead REACH Consortium. In addition to signing and returning the main Consortium Agreement and nomination forms you are required to confirm that you are in agreement with the fee structure as set out below.

Fees, which are to be calculated on a pro rata basis, include both Consortium fees to cover costs associated with the running of the Consortium and Voluntary Risk Assessment of Lead (VRAL) fees. As you may be aware, prior to formation of the Consortium, a VRAL was conducted and significant parts of that information/data are to be made available under licence to the Consortium. It has been agreed with the VRAL owners that the Consortium Members shall pay a fee equivalent to 50% of the rate paid by the original VRAL funders/owners (this percentage being based on the proportion of the VRAL report which is deemed relevant for REACH registration).

Accordingly, Consortium members will be expected to make this payment in order to take any benefit of the VRAL data.

In accordance with clause 9 of the REACH Consortium Agreement, each Consortium member shall make a pro rata payment based on that member's usage of lead. All lead producers shall be expected by the VRAL funders to pay a contribution 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. It is recognised that certain Consortium members will have produced or imported little or no lead during that period and, in order to ensure that such member pays its pro rata share, a minimum levy of €12,000 has been set in order to achieve parity.

If your production/import levels of lead metal over the period 2004-2006 were below the appropriate threshold for a levy in excess of €12,000 to be charged, you will be charged a minimum fee of €12,000. If you are in agreement with this condition then please confirm your acceptance by signing this letter and return it together with a signed hard copy of the main Consortium Agreement, Non Disclosure Agreement and nomination forms.



Dr Andy Bush
Director

Signed for and on behalf of [ ]

By its authorised representative:

Authorised representative's name in print:

Dated: