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McKenna Long & Aldridge

Nora Wouters ²

¹ Member of the Düsseldorf Bar

² Advocaat-Avocat - Member of the Brussels Bar

Ursula Schliessner 1

Avenue de Tervueren
 Brussels, Belgium

Telephone: (32-2) 278-1211 ■ Telefax: (32-2) 278-1200

www.mckennalong.com

<u>Chromium Trioxide REACH Authorization – Launch of Industry Consortium to Prepare</u>

<u>Authorization</u>

Frequently Asked Questions

December 23, 2011

(for public dissemination to interested parties)

Can I continue to use Chromium Trioxide in the EU?

If the European Commission agrees with the European Chemical Agency's (ECHA) proposal of December 21, 2011, you can no longer use chromium trioxide in the EU after May 2016. If you wish to continue using it, you would have to file an authorization of application with ECHA at the latest by November 2014.

What is an authorization application and how can I put it together?

An authorization application dossier is a comprehensive file including a chemical safety report, assessment of alternatives to chromium trioxide, substitution plan for chromium trioxide, use description, justification for not considering certain risks, and a socio-economic assessment.

What does it cost to file an application for authorization with ECHA and how much does it cost to put an authorization application together?

The ECHA fees for processing of authorization applications are $\[\in \]$ 50,000 for large companies, $\[\in \]$ 40,000 for medium sized companies (less than 250 employees and less than $\[\in \]$ 50 Million annual turnover or balance sheet $\[\in \]$ 43 Million), $\[\in \]$ 25,000 for small companies (less than 50 employees and less than $\[\in \]$ 10 Million annual turnover or balance sheet), and $\[\in \]$ 7,500 for micro companies (less than 10 employees and less than $\[\in \]$ 2 Million annual turnover or balance sheet). There is an additional charge for each additional use of chromium trioxide, from $\[\in \]$ 1,500 for micro to $\[\in \]$ 10,000 for large companies. The size of a company is defined on a worldwide basis (including affiliates).

In addition to the ECHA administrative fee, you will have to spend money for putting your authorization application together. An industry consortium was established to share the cost for drafting this dossier as best as possible, without disclosing commercially sensitive information. It is expected that the total cost to be shared among all companies interested in chromium trioxide authorization will be approx. €1.5 Million (not including ECHA processing fees to be paid by each applicant!). The more companies share the cost, the cheaper it will be.

Can I still participate in the work of the Consortium if I do not sign up by March 15, 2012?

You cannot join the Consortium after March 15, 2012. However, you can purchase in May 2014 a right to refer to the authorization dossier (Letter of Access), so that you can file your authorization application in time for November 2014. In this case, you will pay 30% more than the Members of the Consortium (price at dossier finalization).

Will the Letter of Access or the Membership in the Consortium also entitle my affiliated companies to benefit from the work?

Yes indeed, they will be included provided you notify their identity to the Manager of the Consortium when you become a Member of the Consortium or purchase a Letter of Access. However, please note that ECHA charges its fees per legal entity, hence affiliates need to pay separately.

If I am not using Chromium Trioxide myself but only place it on the market for my customers to use, can I also become a Consortium Member or purchase a Letter of Access and will this include my customers or do they need to seek separate ECHA authorization?

If you place the substance on the market and file your authorization application for placing on the market for specific uses, this placing on the market and the uses identified will be authorized by ECHA. In this case, your customers making these specific uses will not need to obtain ECHA authorization. However, if these customers change supplier, they must assure that their new supplier also has an authorization for placing on the market for the specific use.

If I am a downstream user of chromium trioxide, should I rely on my supplier to obtain ECHA authorization (for placing on the market for the specific use) or should I rather file my own authorization application?

This is at your choice. If you wish to ensure utmost independence from your supplier(s), you should consider to obtain your own authorization. Also, if you rely on your supplier, then you must follow the SDS and exposure limits provided by your supplier.

If I am acting as a subcontractor, can I rely on the authorization obtained by my Principal?

Unless your Principal has an authorization for placing on the market for the specific use and provides the chromium trioxide to you, you cannot rely on your Principal's authorization.