

REACH Copper Consortium Fees

Principles

Membership fees depend on four key factors - the registration tonnage of the member, the number of substances and/or intermediate dossiers the individual member requires, the total number of members sharing the costs of each sub group and the total registration tonnage of the members of each sub group.

Based on the draft budget for 2008 - 2010, plus some assumptions on the above factors, the following fees are those that have been used to invoice Consortium members for 2008. Fees are payable per year for 3 years.

To provide adequate cash flow, Members pay 50% of the 3 year budget in 2008 (30% in '09 and 20% in '10)

Registration tonnages will be the combination of EU based producers and legal importers. The latter group will include mining companies based outside the EU and metal traders, plus downstream users, such as semi-fabricators and wire-rod manufacturers, whose trade terms result in **them** being the legal importer.

See **Appendix 3** of the Consortium Agreement for the definitions of Type 3.1, 3.2 and 3.3 costs.

Non members of the European Copper Institute are required to pay a one time, Type 3.1 fee of 2 euro/T to secure access to the Voluntary Risk Assessment

There is a late joining fee of 1% per month for all Members joining the Consortium after February 2008.

Copper Metal (Sub Group A)

Assumptions:

- 30 companies totalling 4 million tonnes are members
- 75% of annual 3.2 budget paid by copper, 25% by intermediates
- 50% of Type 3.3 budgets covered by minimum fee, 50% by tonnage

Type 3.2 Costs:

- Annual cost of 0.038 euro/T for a member with a tonnage at or above 100,000 T/year
- Annual minimum cost of 5,000 euro for a member with a tonnage below 100,000 T/yr

Type 3.3 Costs:

- Annual cost of 0.054 euro/T for a member with a tonnage at or above 80,000 T/yr
- Annual minimum cost of 4,000 euro for a member with a tonnage below 80,000 T/yr

Examples:

<u>T/yr</u>	<u>Annual Cost euro</u>
10.000	9.000
80.000	9.000
100.000	9.200
250.000	23.000
500.000	46.000

Intermediates (Sub Groups B1 - B15)

Assumptions:

- 12 companies are members
- 25% of annual 3.2 budget paid by intermediates, 75% by copper
- 50% of Type 3.3 budgets covered by minimum fee, 50% by tonnage

Type 3.2 Costs:

- Annual cost of 4,500 euro - all members pay the same, independent of the number of intermediates

Type 3.3 Costs:

- Annual costs are highly dependent on total tonnage and number of members interested
- Typical costs for a company requiring two or three intermediate dossiers is 10,000 euro for one year

Slags as a substance (Sub Group C)

Assumptions:

- 6 companies are members
- No Type 3.2 costs charged - same members also involved in other intermediates
- 50% of Type 3.3 budgets covered by minimum fee, 50% by tonnage

Type 3.2 Costs

Zero

Type 3.3 Costs:

- Annual cost of 0.131 euro/T for a member with a tonnage at or above 300,000 T/yr
- Annual minimum cost of 40,000 euro for a member with a tonnage below 300,000 T/yr

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