Precious Metals Consortium

Precious Metals & Rhenium Consortium

Management Committee Meeting

6 October 2016, 9:00 – 12:30 | Brussels

Precious Metals Consortium

Welcome and introduction

Confidentiality and competition law

DO	DON'T
Application of competition law	
Art. 101 and 102 TFEU may be applicable to the conclusion of any preliminary agreement and activities of any preliminary phase.	Don't assume that conflicts with competition law are excluded simply by the fact that the Agreement complies with the provisions of the REACH Regulation.
Consultation in Matters of Competition Law	
Consult an in-house legal expert or the compliance officer of your company or an external lawyer whenever there are uncertainties respecting compliance with competition law. Stop all meetings/discussions which are not in compliance with these Compliance Guidelines until a legal expert has been involved.	Don't assume that these Compliance Guidelines deal with all competition law issues exhaustively. Basically, compliance with Art. 101 and 102 TFEU can be determined only on the basis of market impact in each individual case. These Compliance Guidelines may therefore be regarded only as a means of providing general conduct recommendations.
Activities in any preliminary phase and at any other stage of operation of the Consortium	
Restrict cooperation within the scope of the preliminary phase to the initially defined goals and purposes of the cooperation.	Pursuant to Art. 101 and 102 TFEU, activities which have the object of the effect of preventing, restricting and/or distorting competition are prohibited within the scope of this Agreement, including: - Coming to agreement, including arrangements or collusions, about prices, markets and customers (see Art. 101 paragraph 1 a)-e) TFEU); - 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 a Trustee for the exchange of Confidential Information.	The exchange of information concerning market behaviour and having the object or the effect of preventing, restricting and/or distorting competition is inadmissible; in particular, this relates to : - Production capacities; - Productions or sales volumes; - Import volumes; - Market shares; - Price policy; - Distribution and marketing terms; - Marketing strategies; - Information regarding the relationship with suppliers.
Documentation on Cooperation	
Keep minutes of all meetings which detail the subject of the meeting. In case of uncertainty, have the contents of the minutes reviewed by an external legal expert prior to sending them to all parties of the Agreement. Stop all meetings which are not in compliance with these Guidelines until a legal expert has been involved.	

Tour de table, quorum and apologies

- **List of Participants**
  - Francisco Boo, Metalor (Switzerland)
  - Rudolf Eller, Heraeus (Germany)
  - Guy Ethier, Umicore (Belgium)
  - Jörn Mülhenfeld, Aurubis (Germany)
  - Juha Parkinnen, Norilsk (Finland)
  - Nissanka Rajapakse, Johnson Matthey (UK)
  - Heinz-Günter Schenzel, C. Hafner (Germany)
  - Holger Zitt, BASF (Germany)
- **Secretariat**
  - France Capon (EPMF, Belgium)
  - Audrey Rondepierre (EPMF, Belgium)
- **Apologies**
  - Michael Herman, Ames (United States)

Quorum is reached

Approval of agenda

- Welcome and Introduction
  - Confidentiality and Competition Law
  - Tour de table, quorum and apologies
  - Approval of the agenda
  - Approval of the minutes of previous meeting (13 May 2016)
- Q3 2016: financial report
- Status of 2016 Workplan and timelines
  - Early registration of Annex III substances
  - Registration of Pd substances
- 2017 Workplan: 2nd draft
- Brainstorming: PMC after 2018
- Outcome of the meeting between IPA and PMC
- A.O.B. and closure of the meeting
  - Reelection of Management Committee for the 2017-2019 period
  - PMC website: creation of members area
  - EBRC
  - Data Sharing: Switzerland
  - Silver: prioritization in the Water Framework Directive – impact on REACH dossier
  - Hydrazine

FOR APPROVAL

Approval of minutes of previous meetings

- Management Committee meeting (13 May 2016)

Actions	Who?	When?	Status
TCA - Discuss with Metalor legal counsel the TCA dossier	Francisco Boo	End of May 2016	DONE
TCA - Send a formal letter to Covance requesting reimbursement	FC	End of May 2016	DONE
TCA) Investigate with relevant legal counsel further actions against Covance to recover damages costs	FC	End of June 2016	DONE
TCA - Check with accountant the status of reimbusement of costs and damages by Covance and how to book it.	AR	End of May 2016	DONE
Ag Evaluation budget – review impact of the updated requriements	FC	End of June 2016	DONE
Assembly – update agenda before circulation	AR	13 May 2016	DONE
Data sharing – draft LtU agreement between Ag and PM CN Sub-Assemblies	FC	6 October 2016	DONE
ESTF data sharing request – prepare an offer to share the requested data of Ag	FC/AR	End of May 2016	DONE
Reelection of the Management Committee – current members are invited to be ready to make a statement in June 2016	MC members	1st June 2016	DONE

FOR APPROVAL

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Financial report: Q3 2016

Q3 2016 report

		2016 Budget *to be spent*	2016 Budget *to be invoiced*	2016 Forecast	Expenses by 31/09/2016	Committed	Remaining available budget (2016 budget-Expenses-Committed)
2.1	**Administrative costs**	**€ 618.800**	**€ 618.800**	**€ 618.800**	**€ 330.554**	**€ 135.000**	**€ 153.246**
2.2	**Ag-specific costs**	**€ 681.250**	**€ 689.903**	**€ 400.000**	**€ 102.023**	**€ 398.373**	**€ 180.855**
2.3	**Au-specific costs**	**€ 122.700**	**€ 79.550**	**€ 307.450**	**€ 78.582**	**€ 224.989**	**€ -180.871**
2.4	**PM CN- -specific costs**	**€ 388.500**	**€ 288.200**	**€ 388.500**	**€ 216.760**	**€ 77.432**	**€ 94.308**
2.5	**PGM-specific costs**	**€ 2.478.250**	**€ 1.785.448**	**€ 2.488.250**	**€ 1.138.449**	**€ 1.682.808**	**-€ 343.007**
2.5	*PGM- horizontal costs*					*€ 486.902*	*€ -486.902*
2.5a	*Pt-specific costs*	*€ 1.183.955*	*€ 645.102*	*€ 1.183.955*	*€ 496.403*	*€ 520.879*	*€ 166.673*
2.5b	*Pd-specific costs*	*€ 572.405*	*€ 622.173*	*€ 572.405*	*€ 305.526*	*€ 51.548*	*€ 215.331*
2.5c	*Rh-specific costs*	*€ 162.470*	*€ 171.217*	*€ 162.470*	*€ 122.876*	*€ 150.410*	*€ -110.816*
2.5d	*Ru-specific costs*	*€ 558.420*	*€ 345.956*	*€ 558.420*	*€ 200.441*	*€ 473.069*	*-€ 115.090*
2.5e	*Ir-specific costs*	*€ 1.000*	*€ 1.000*	*€ 11.000*	*€ 13.203*	*€ 0*	*€ -12.203*
2.6	**Re-specific costs**	**€ 11.400**	**€ 11.400**	**€ 11.400**	**€ 1.177**	**€ 5.000**	**€ 5.223**
2.7	**Refinables-specific costs**	**€ 772.550**	**€ 277.550**	**€ 772.550**	**€ 14.940**	**€ 235.352**	**€ 522.258**
2.8	**SVHC Roadmap-specific costs**	**€ 20.000**	**€ 20.000**	**€ 0**	**€ 0**	**€ 0**	**€ 20.000**
	TOTAL	**€ 5.093.450**	**€ 3.770.851**	**€ 4.986.950**	**€ 1.882.485**	**€ 2.758.953**	**€ 452.012**

- TCA: still waiting for Covance reimbursement
- Total Committed + expenses = 4.641.438€ while the forecast for 2016 is 4.986.950€

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Status of 2016 Workplan and Timelines

Registration of Aurio: DONE

Name of the substance	Identification numbers		LR	JSO created and sent to members	Registered by LR
	CAS	EC			
Gold	7440-57-5	231-165-9	C. Hafner	Done	Apr 2016
Tetrachloroauric acid	16903-35-8	240-948-4	Johnson Matthey		
Aurio(1+) 2,6,6-trimethylbicyclo[3.1.1]heptanethiolate	68365-87-7	269-858-3	Johnson Matthey	Done	Jun 2016
Balsams, copaiba, sulfurized, mixed with turpentine, gold salts	68990-27-2	273-589-7	Heraeus Deutschland GmbH and Co. KG	Done	Apr 2016

Early registration of Annex III exempted substances: ONGOING

Name of the substance	Identification numbers		LR	JSO created and sent to members	Registered by LR
	CAS	EC			
Palladium(II) acetate	3375-31-3	222-164-4	Heraeus	Done	Ongoing
Tetraamminepalladium (II) nitrate	13601-08-6	237-078-2	Johnson Matthey	Done	Ongoing
Tetrakis(triphenylphosphine)palladium	14221-01-3	238-086-9	Umicore AG&Co.KG	Done	Ongoing
Tetraammineplatinum dichloride	13933-32-9	237-706-5	Johnson Matthey	Done	Ongoing
Platinum dioxide	1314-15-4	215-223-0	Umicore AG&Co.KG	Done	Ongoing
Carbonyl(pentane-2,4-dionato-O,O')(triphenylphosphine)rhodium	25470-96-6	247-015-0	Johnson Matthey	Done	Ongoing
Carbonylhydrotris(triphenylphosphine)rhodium	17185-29-4	241-230-3	Umicore AG&Co.KG	Done	Ongoing
Di-µ-chloro-bis(hapto-1,5-cyclooctadiene)dirhodium(I)	12092-47-6	235-157-6	Heraeus	Done	Ongoing
Tris(triphenylphosphine) rhodium (I) chloride	14694-95-2	238-744-5	Umicore AG&Co.KG	Done	Ongoing
Tris(nitrato-O)nitrosylruthenium	34513-98-9	252-068-8	Umicore AG&Co.KG	Done	Ongoing

N.B.: the following annex III exempted substances will be registered with their respective group of substances:

- Dicarbonyl(pentane-2,4-dionato-O,O')rhodium
- Ruthenium (IV) oxide
- Hexakis[mu-(acetato-O:O')]-µ3-oxo-triangulo-triruthenium acetate / Ruthenium acetate
- Ruthenium trihydroxide

Registration of PM CN-: ONGOING

Name of the substance	Identification numbers		LR	JSO created and sent to members	Registered by LR
	CAS	EC			
Potassium dicyanoargentate	506-61-6	208-047-0	Saxonia Edelmetalle GmbH		
Silver cyanide	506-64-9	208-048-6	Saxonia Edelmetalle GmbH	Done	**Ongoing**
Potassium dicyanoaurate	13967-50-5	237-748-4	Umicore Galvanotechnik GmbH	Done	oct-16

N.B.:

- Potassium dicynaorgentate will be registered by Q3 2017

Registration of Pd and Pd compounds: final phase

Substance	CAS	EC	LR	Status	
Palladium	7440-05-3	231-115-6	Umicore NV/SA	Approval by SA	Early November
Palladium dichloride	7647-10-1	231-596-2	BASF	Approval by SA	Early November
Dihydrogen tetrachloropalladate(2-) (in solution)	16970-55-1	241-047-9	Heraeus	Approval by SA	Early November
Diamminedichloropalladium	14323-43-4	238-269-3	Heraeus	Approval by SA	Early November
Dichlorobis(triphenylphosphine)palladium	13965-03-2	237-744-2	Heraeus	Approval by SA	Early November
Palladium (II) di(4-oxopent-2-en-2-oate)	14024-61-4	237-859-8	Heraeus	Approval by SA	Early November
Palladium(II) acetate	**3375-31-3**	**222-164-4**	**Heraeus**	**Registered**	**AnnexIII exempted**
Palladium monoxide	1314-08-5	215-218-3	Heraeus	Approval by SA	Early November
Tetraamminepalladium (II) nitrate	**13601-08-6**	**237-078-2**	**Johnson Matthey**	**Registration ongoing**	**AnnexIII exempted**
Tetraamminepalladium(2+) dichloride	13815-17-3	237-489-7	Umicore AG&Co.KG	Approval by SA	Early November
Tetraamminepalladium(2+) dihydroxide	68413-68-3	270-241-6	Heraeus	Approval by SA	Early November
Tetrakis(triphenylphosphine)palladium	**14221-01-3**	**238-086-9**	**Umicore AG&Co.KG**	**Registration ongoing**	**AnnexIII exempted**
Palladium sulphate	*13566-03-5*	*236-957-8*	*Heraeus*	*Phys-chem testing running*	*End of November*
Tetraamminepalladium(2+) diacetate	*61495-96-3*	*262-819-1*	*Umicore AG&Co.KG*	*Phys-chem testing running*	*End of November*
Disodium tetrachloropalladate	13820-53-6	237-502-6	BASF	Approval by SA	Early November
Palladium dinitrate	*10102-05-3*	*233-265-8*	*Heraeus*	*Phys-chem testing running*	*End of November*
Palladium dihydroxide	*12135-22-7*	*235-219-2*	*Umicore AG&Co.KG*	*Removed as agreed with LR*	*End of November*
Diammonium hexachloropalladate	19168-23-1	242-854-9	Johnson Matthey	Approval by SA	Early November
Dipotassium hexachloropalladate	16919-73-6	240-974-6	C. Hafner	Approval by SA	Early November

N.B.:

- All Pd and Pd compounds dossiers have been approved for registration except Pd dihydroxide and the 3 for which phys-chem were still ongoing (see in red)
- Pd dihydroxide: a use is missing and needs to be added – this use was declared to Secretariat until now as confidential, and not included in the common dossier
- RAAF are under preparation: no change in content BUT only format

HR 2016: reality check

YEAR	2016	
	PMC 2016 HR	PMC 2016 HR reality check
2.1 Administrative costs	*1,5*	*1,5*
2.2 Ag-specific costs	*0,8*	*0,9*
2.3 Au-specific costs	*0,2*	*0,2*
2.4 PM CN- -specific costs	*0,2*	*0,2*
2.5.A Platinum-specific costs	*0,5*	*0,6*
2.5.B Palladium-specific costs	*0,7*	*0,6*
2.5.C Rhodium-specific costs	*0,6*	*0,4*
2.5.D Ruthenium-specific costs	*0,5*	*0,4*
2.5.E Iridium-specific costs	*0,1*	*0,1*
2.6 Re-specific costs	*0,02*	*0,02*
2.7 Refinables-specific costs	*0,4*	*0,3*
2.8 SVHC Roadmap-specific costs	*0,2*	*0,5*
	PMC 2016 HR	PMC 2016 HR
TOTAL	5,72	5,72

- Overall, estimation was accurate: no need to adjust HR for 2016 cotisation
- SVHC Roadmap: HR was only use for allocation of admin but no direct charge of the HR time to the project (including so far under Administration) – 2017: need to readjust time and way of allocating.
- 0,1 FTE of Ag has been covered by EPMF for the Prioritization of silver under WFD – this was managed within the available resource

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2017 Workplan – 2nd draft

Main activities

- Ag: Substance Evaluation
- Au: finalisation of TCA dossier
- PM CN: finalisation of dicyanoargentate dossier
- Pt: registration Q1 2017
- Rh: registration Q2 2017
- Ru: registration Q3 2017
- Ir and Pd: no activity foreseen but some HR in case of compliance check
- SVHC Roadmap: ongoing monitoring

Proposed budget and HR for 2017

YEAR	2017		
	PMC 2017 Budget *to be spent*	PMC 2017 Budget *to be invoiced*	PMC 2017 HR
2.1 Administrative costs	*567.250 €*	*567.250 €*	*1,8*
2.2 Ag-specific costs	*897.550 €*	*862.550 €*	*1,027*
2.3 Au-specific costs	*355.200 €*	*201.200 €*	*0,1*
2.4 PM CN- -specific costs	*72.700 €*	*64.200 €*	*0,1*
2.5.A Platinum-specific costs	*753.900 €*	*738.400 €*	*0,3*
2.5.B Palladium-specific costs	*25.200 €*	*25.200 €*	*0,1*
2.5.C Rhodium-specific costs	*171.050 €*	*153.550 €*	*0,6*
2.5.D Ruthenium-specific costs	*501.700 €*	*435.200 €*	*0,6*
2.5.E Iridium-specific costs	*13.850 €*	*13.850 €*	*0,1*
2.6 Re-specific costs	*7.400 €*	*7.400 €*	*0,02*
2.7 Refinables-specific costs	*772.700 €*	*75.200 €*	*0,3*
2.8 SVHC Roadmap-specific costs	*91.250 €*	*61.250 €*	*0,5*
2.9 Volume per use	*50.000 €*	*50.000 €*	
TOTAL	**4.279.750 €**	**3.255.250 €**	**5,547**

Proposed budget and HR for 2017

		Available cash flow by 31/12/2015	Committed reserves by 31/12/2015	Carry over to 2016	"Real" Reserves left by 31/12/2015	TOTAL dossier costs till 30/06/2016	Minimum reserves to be kept in house	Reserves to be built in 2017 budget	Reserves to be built in 2017 budget?
2.1	Administrative costs	254.855	0	0	254.855	N/A	€ 167.412	€ -87.443	No additional reserves to be built
2.2	Ag-specific costs	338.521	0	0	338.521	3.543.196,00	265.739,70	-72.781,74	No additional reserves to be built
2.3	Au-specific costs	68.385	13.000	30.150	25.235	1.149.082,00	86.181,15	60.945,80	Additional reserves to be built
2.4	PM CN- -specific costs	177.589	13.000	87.300	77.289	1.486.046,00	111.453,45	34.164,81	Additional reserves to be built
2.5	**PGM-specific costs (total)**	**2.056.963**	**1.181.610**	**706.400**	**168.953**	**8.331.974,00**	**624.898,05**	**455.944,56**	
2.5a	*Pt-specific costs*	*514.241*	*438.105*	*383.800*	*-307.664*	*1.974.194,00*	148.064,55	455.728,68	Additional reserves to be built
2.5b	*Pd-specific costs*	*719.937*	*293.505*	*50.000*	*376.432*	*2.065.403,00*	154.905,23	-221.527,00	No additional reserves to be built
2.5c	*Rh-specific costs*	*411.393*	*210.000*	*0*	*201.393*	*1.927.910,00*	144.593,25	-56.799,45	No additional reserves to be built
2.5d	*Ru-specific costs*	*308.545*	*190.000*	*262.600*	*-144.055*	*1.926.434,00*	144.482,55	288.538,03	Additional reserves to be built
2.5e	*Ir-specific costs*	*102.848*	*50.000*	*10.000*	*42.848*	*438.033,00*	32.852,48	-9.995,70	No additional reserves to be built
2.6	Re-specific costs	189.468	0	0	189.468	683.484,00	34.174,20	-155.293,34	No additional reserves to be built
2.7	Refinables-specific costs	641.403	169.000	326.000	146.403	2.242.534,00	168.190,05	21.787,10	Additional reserves to be built
2.8	SVHC Roadmap-specific costs	0	0	0	0				
	Hydrazine-specific costs	*86.208*	*0*	*0*	*86.208*				
	TOTAL	3.813.392	1.376.610	1.149.850	1.286.932	17.436.316	1.458.049	861.164	

PGM WG question on reserves building:

- Are 5-7% of total costs of a project still the right approach for building reserves?
- Should we not consider instead the forecast for the project?
- Some of the proposed amounts for building reserves are extremely high in comparison with the budget itself

Recommendation from the Management Committee to the Assembly?

Forecast 2018-2019

YEAR	2017			2018			2019		
	PMC 2017 Budget to be spent	PMC 2017 Budget to be invoiced	PMC 2017 HR	PMC 2018 Budget to be spent	PMC 2018 Budget to be invoiced	PMC 2018 HR	PMC 2019 Budget to be spent	PMC 2019 Budget to be invoiced	PMC 2019 HR
2.1 Administrative costs	567.250 €	567.250 €	1,8	572.550 €	572.550 €	1,8	612.000 €	612.000 €	2
2.2 Ag-specific costs	897.550 €	862.550 €	1,027	1.526.555 €	1.251.555 €	1	350.647 €	350.647 €	0,5
2.3 Au-specific costs	355.200 €	201.200 €	0,1	170.524 €	170.524 €	0,1	165.529 €	165.524 €	0,1
2.4 PM CN- -specific costs	72.700 €	64.200 €	0,1	225.345 €	225.345 €	0,4	181.309 €	181.309 €	0,2
2.5.A Platinum-specific costs	753.900 €	738.400 €	0,3	281.621 €	281.621 €	0,4	1.263.618 €	1.263.618 €	0,6
2.5.B Palladium-specific costs	25.200 €	25.200 €	0,1	574.095 €	574.095 €	0,4	362.309 €	362.309 €	0,3
2.5.C Rhodium-specific costs	171.050 €	153.550 €	0,6	334.624 €	334.624 €	0,3	267.750 €	267.750 €	0,3
2.5.D Ruthenium-specific costs	501.700 €	435.200 €	0,6	236.674 €	236.674 €	0,4	112.279 €	112.279 €	0,4
2.5.E Iridium-specific costs	13.850 €	13.850 €	0,1	18.050 €	18.050 €	0,1	18.250 €	18.250 €	0,1
2.6 Re-specific costs	7.400 €	7.400 €	0,02	8.400 €	8.400 €	0,02	8.400 €	8.400 €	0,02
2.7 Refinables-specific costs	772.700 €	75.200 €	0,3	405.548 €	405.548 €	0,2	405.559 €	405.559 €	0,2
2.8 SVHC Roadmap-specific costs	91.250 €	61.250 €	0,5	91.964 €	91.964 €	0,5	92.250 €	92.250 €	0,5
2.9 Volume per use	50.000 €	50.000 €		20.000 €	20.000 €		20.000 €	20.000 €	
TOTAL	4.279.750 €	3.255.250 €	5,547	4.465.950 €	4.190.950 €	5,62	3.859.900 €	3.859.894 €	5,22

2018-2019 forecasts are driven by:

- Maintenance obligations
- Implementation of Testing proposal submitted in 2017
- Silver: 2nd tier of Substance Evaluation if needed.

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Brainstorming: PMC after 2018

Draft agenda

- Welcome and Introduction
  - Reminder on Confidentiality and Competition Law
  - Tour de table and apologies
  - Approval of the agenda
  - Introduction
- What are the legal obligations?

What is mandatory? From a proactive to a defensive approach: which strategy to adopt to prevent regulatory impact on companies? What are the emerging issues? A growing importance of the supply chain communication: how to address it?

- What are the links between REACH and other European policies?

What are the overlaps between REACH and other EU policies? What are the potential overlaps with other precious metals associations and other metal consortia?

- How to value REACH data?

Within the EU, need to promote the use of REACH data in other regulatory field? Outside the EU, how to promote the use of PMC REACH data?

- Advocacy or not advocacy?

REACH moving from registration to risk management, is it still possible to separate clearly implementation and advocacy?

- Conclusions and next steps

Recommendation from the Management Committee?

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Outcome meeting IPA-PMC

Background

- Identification of potential overlaps between PMC and IPA STF (Science Task Force)
- IPA STF: end of mandate – new mandate under discussion
- Brainstorming meetings organized on 5 and 9 August between IPA and PMC representatives

Outcome of brainstorming

- Need for coordination between PMC and IPA STF
- Greater synchronisation of both technnical programs and regulatory strategy
- Challenges:
  - PMC identified new areas of concerns for PGMs
  - REACH data are publicly available
  - Increase of regulaotry threats on PGMs
  - IPA ST: lack of resources
- IPA STF: identification of new mandate focused on providing strategic science coordination focusing on
  - Technical and advocacy responses to new hazard data – scope would be on product and workplace impacts at global level
  - Risk assessment
  - Prioritization for developing action plan

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A.O.B

A.O.B.

- Reelection of Management Committee for the 2017-2019 period
- PMC website: creation of members area
- EBRC
- Data Sharing: Switzerland
- Silver: prioritization in the Water Framework Directive – impact on REACH dossier
- Request from SVHC WG:
  - Hydrazine - share the outcome of the Occupational Monitoring study with the hydrazine registrants to update registration dossier and other relevant data needed to avoid prioritisation of hydrazine in Authorisation

Next meetings

- End of November: a conference call in preparation of Assembly: 21, 22 or 23 November
- March: face-to-face meeting after the audit? Week of 13-17 March



THANK YOU

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