



**PRECIOUS METALS CONSORTIA  
MANAGEMENT COMMITTEE TELECONFERENCE**

Chairman: *Robert Binney (Johnson Matthey)*

Co-chairman: *Andrew Griffiths (Umicore)*

Secretariat: *Caroline Braibant (EPMF)*

27th of April 2007, 15:00 - 16:00

## **Minutes**

**Participants:** R. Binney, C. Braibant, R. Davies, A. Griffiths, G. Gutekunst, M. Kabs, M. Mistry.  
P. Charlesworth was excused.

The agenda for the meeting is attached (cf. Annex 1).

### **1. Introduction and organization.**

The Agenda for the meeting was approved.

### **2. General comments and questions on the aggregated Substance Inventory.**

The Management Committee (MC) acknowledged that the aggregated inventory sent by the Secretariat on the 25/04/07 compiles only 60% of the expected inventories and that its content does not enable the Legal Work Group (LWG) to prepare a complete and final list of substances being covered by each Consortium Agreement (CA) (cf. 3.3. of the Minutes).

Also, the MC agreed on:

- Contacting W. Held (Fachvereinigung Edelmetalle) in order to receive the substance inventories of the remaining German companies.
- Contacting C. Léger (ASFCM) in order to receive the substance inventories of the remaining Swiss companies.

The Secretariat reminded that the “Undertakings of the Trustee” attached as an Appendix to the CA had to be reviewed and agreed by the MC in order to be sent with a new request to send the remaining substance inventories (cf. 3.5.4. of the Minutes).

### **3. General comments and questions on the Consortium Agreement.**

It was agreed that “Dated 28<sup>th</sup> of February, 2007” in the front page of the CA should read “Date of current draft:...” instead.

Sections 2, 7, 9-14 of the CA did not raise any particular comment at this stage.

#### **3.1. Definitions**

The definition of “Industry Association” was changed to: “means a natural or a legal person that represents the interests of (a) legal entity(ies) manufacturing or importing (a) Substance(s) covered by this CA”.

#### **3.3. Substance(s) covered by this Consortium Agreement**

Based on the status and on the evolution of the Substance Inventory (cf. 2. of the Minutes), the LWG will be requested to prepare:

- A generic description of the substances being covered by the Consortium Agreement, i.e. Silver and silver compounds; Gold and gold compounds; and Platinum Group Metals (PGM) and PGM compounds.
- A provision stating that the MC will determine in due time which compounds and alloys of the Precious Metals being named above, as far as they are affected by the REACH Regulation, will be included in the scope of the Consortium.

#### **3.4. Membership**

- It was agreed to keep an open-door policy for the Non-EU Manufacturers as they might not be bound the European Law but they are legally bound by the CA which is a contractual agreement under Belgian Law.



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- It was clarified that Industry Associations can not be Members of the Consortium but that they can only act as Representatives of any of their own Members or Affiliates, providing these Members or Affiliates fit the definition of Member, providing they have signed the CA and comply with all the provisions of the latter, and providing that the Representative presents a duly signed proxy to act as such.
- The LWG will be requested to complete, update and clarify all the provisions related to cost-sharing, financial compensation and subsequent voting rights after a cost-sharing formula has been selected by the MC (due for face-to-face meeting 03/05/07).

**3.5. Organisation and Management of the Consortium**

- It was clarified that the general overlap of the identity and the rights of the Assembly and of the MC was due to some drafting mistakes. The LWG will correct this.
- After a clear separation of the Assembly and the MC has been considered in the drafting of the CA, it was agreed to modify some of the roles of each organ as follows:
  - o Only the Assembly can change anything in the body of the CA through unanimous voting.
  - o The MC can propose changes to the Appendices of the CA in order to ensure the adaptation of the Consortia to the changes in REACH Regulation.
  - o In order to ensure the participation of all the members in the changes proposed by the MC, it was agreed to proceed as follows:
    - The Management Committee will present the proposals to the Assembly and/or send it to the Assembly by e-mail;
    - Each Member of the Assembly has 28 days (starting day of sending) to send its approval/refusal to the Secretariat, which will feedback the MC on the replies received:
      - No reply signifying implied acceptance of the proposal, and/or
      - Only the received votes will be accounted in the final decision, no matter the quorum reached. The proposal will be deemed to be accepted if 2/3 of the votes indicate acceptance.
- (5.1.2.) As regards the external representation of the Consortium, and in view of the possibility for the MC to delegate specific mandates to any Party(ies), it was agreed that the Chairman of the MC shall be the formal representative of the Consortium unless (an)other Party(ies) has(ve) been nominated for it.
- (5.1.2.) As regards the “Accountant”, it was agreed for R. Binney to meet with G. Thiran (Eurométaux) in order to find out whether it was possible for Eurométaux to recommend the services of an external existing Accounting Company. The costs for such services shall be included in the REACH Generic Costs of the Budget of the Precious Metals Consortia.
- (5.3.2.1.) It was agreed not to limit the proposing activities of the Work Groups to a specific quorum. This modification of the CA is part of the overall update stated in the first bullet of 3.5. of the Minutes.
- (5.4.) As regards the “Trustee”, it was agreed for R. Binney to meet with G. Thiran (Eurométaux) in order to find out whether it is possible to extend the umbrella of the eventual “Professional Liability Insurance” owned by Eurométaux to the Trustee. Additionally, it was envisaged to request Eurométaux to assist with any eventual need of the Precious Metals consortia in the absence of the Trustee.
- (5.5.) It was confirmed that the Lead Registrant shall be designated by the MC.

**3.6. Information and Data Sharing**



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- (6.2.1.) Further clarification on the ownership and the sharing of information and on the related provisions will be obtained after the MC has selected the best option for the cost-sharing formula (due for face-to-face meeting 03/05/07).

### **3.8. Financial Rights and Obligations**

This entire section is subject to discussion, approval and change after the MC has selected the best option for the cost-sharing formula (due for face-to-face meeting 03/05/07). This specific chapter will be addressed after such formula has been accepted and will be part of the tasks of the LWG to complete, update and clarify all the provisions related to cost-sharing, financial compensation and subsequent voting rights.

One unclear aspect is the application of a “founding member discount” or a “late comer penalising fee”. This needs to be addressed during the coming face-to-face meeting (03/05/07).

A. Griffiths deplored the absence of a clear and complete report on the status and the actual application of each one of the proposals for the cost-sharing formula. For instance, a clear clarification is needed on the financial involvement and the representation in the Consortium of the Affiliates of the Members.

Two of the obstacles impeding the preparation of a clear proposal are: (i) the incomplete substance inventory and (ii) the need for decision at the MC before the CWG and the LWG meet again to draft all the related provisions. Only then will a transparent understanding of the application of the selected cost-sharing formula be possible.

M. Mistry indicated that together with the Secretariat, he has compiled the different comments received on the different formula and that it is his intention to give a thorough presentation on the situation at the coming face-to-face meeting (03/05/07). He welcomed any comment from the participants of the meeting in order to complete the comments he has already received.

### **4. Coming meetings.**

4.1. The MC meeting (03/05/07) will take place in the GOLD Room of the Metals Conference Centre in Brussels, from 11:00 to 17:30.

4.2. The EPMF Board meeting (11/05/07): an updated draft of the CA shall be circulated to the EPMF Board by the 7<sup>th</sup> of May 2007. A teleconference meeting with the CWG and the LWG will be organised on the 4<sup>th</sup> of May in order to corroborate any change in the CA (including the cost-sharing formula).

### **5. Any other business.**

No AOB was addressed during the meeting.

### **6. Conclusion.**

It was clarified that it was not the intention of the MC to have the CA signed in Krakow but essentially, to provide the attendees with a mature version of the CA itself in order to give all the potential Members of the Precious Metals consortia a clear view on the working structure, the aim and the legal context of the consortia.