

# **SDIOC**

## **European Economic Interest Grouping (EEIG)**

Hereby the members are forming a European Economic Interest Grouping (EEIG) basing on the Regulation EC N° 2137/85 dating 25th July 1985 (“EEIG REG”):

The members

Are producers, importers or representatives within the meaning of the regulation EC N°1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH Regulation). The REACH Regulation imposes on manufacturers

and importers as well as on only representatives an obligation to register substances as such, in preparation or, under certain conditions, in articles within certain deadlines.

The members

Whereas considering the effort required by regulatory obligations the Members consider it necessary to increase the efficiency of generation of information, to avoid to duplicate work and to reduce associated costs as well as to file a harmonized set of data to the European Chemicals Agency,

intending

to cooperate in form of a consortium ("the Consortium") open to any other interested third parties subject to the criteria defined hereunder,

acting

on the basis of a fair, loyal and pragmatic concept

**HAVE AGREED UPON THE FOLLOWING CONTRACT FOR THE FORMATION:**

**SDIOC-EEIG**

**General disposals**

**§ 1 Name, official adress, members**

(1) The name of the grouping is SDIOC EEIG and has its official adress in 30177 Hannover, Raffaelstr. 4.

(2) Members at present are six founding members

(3) Membership shall be open to any applicant who fulfils the membership criteria and is committed to pay the financial contributions. New members are not due to any financial contributions which are not foreseen in this contract. A decision to admit new members shall be taken unanimously by the members of the

grouping. Each new Regular Member shall upon decision of the steering committee financially compensate the existing Members for the expenses incurred in a proportional way.

- (4) No membership can be attributed to any Downstream Users or Actors in the supply chain as defined in Art. 3 sec. 13 and 17 of the REACH Regulation. They may participate in informations and cooperation pursuant to a separate contractual basis.
- (5) Any member may assign his participation or a proportion hereof to another member or a third party by unanimous authorization of the other members; a universal succession is not regarded as assignment.

## **§ 2 The objects of the grouping**

- (1) The objective is a mutual cooperation in order to comply with the requirements of the REACH Regulation. The responsibility for the assessment of the risks and hazards should be given to the manufacturers. The regulation intends that the risks which are connected are described, documented and notified. A bundling of the informations will contribute to an increase of security and makes sure that all informations owned by other potential registrants will be presented in the registration procedure. This enforces the competitiveness of the members of the grouping. The grouping may also fulfill the requirements of a SIEF in the sense of Art. 29 of the regulation or can contribute to a successful work of any other SIEF.
- (2) The Members undertake to cooperate and share human and financial resources in order to comply with the requirements of the REACH Regulation. Fields of activity are especially:
  - Gathering and assessing existing studies on the substance, identification and closing of data gaps
  - Carrying out of testing under the obligations under Art. 30 of REACH Regulation
  - Development of testing proposals as required according to Annexes IX and X of the REACH Regulation
  - Gathering information on use and exposure categories of the substance, conditions of use and exposure to humans and environment.
  - Performing a risk assessment according to the scientific principles with the intention to demonstrate safe manufacturing and use
  - The administration of intellectual property concerning the study.

- (3) The rules to govern the cooperation and the details of the clauses of this contract are fixed in the bylaws which are decreed by the steering committee and which must be in the scope of this contract.

### **§ 3 Duration**

The grouping is liquidated to the end of the year 2022.

### **Capital contributions, loss compensation, subsequent capital contributions**

#### **§ 4 Capital contributions**

- (1) The members have to pay a capital contribution in the amount of € 80.000 each.
- (2) The capital contributions have to be paid in cash immediately after the grouping was registered in the Commercial Registry or in case of accession of a new member.
- (3) The unconsumed capital contributions will be paid back to a member at the end of the year in which he is leaving the EEIG
- (4) Members have to pay the current expenses of the secretariat and the registration procedure according to the resolutions of the Steering Committee.

#### **§ 5 Loss compensation**

- (1) The members are responsible in equal shares for the compensation of the groupings' losses. A loss bigger than the sum of all capital contributions shall not arise.
- (2) Furthermore the members are obliged in equal shares to pay subsequent capital contributions. The collection of the subsequent capital contributions will be decided by the meeting of the members (Steering Committee) with the majority of votes.

### **Managing director, management, representation (Secretariat)**

#### **§ 6 Appointment, dismissal and engagement of managing directors**

- (1) The managing directors are appointed and dismissed by the meeting of the members (Steering Committee). The appointment of the managing directors is revocable at any time without prejudice to other rights emerging from existing contracts. The members decide in their meetings about the appointment and dismissal of the managing directors with the majority of votes. There are no contracts concluded.
- (2) The head quarters shall be in Hannover.

### **§ 7 Management (Secretariat)**

- (1) The grouping has one or more managing directors.
- (2) The managing directors are obliged to follow the instructions given by the members, above all they have to respect rules and internal procedures established by the members and to ask them for approval before acting in case of transactions which require a consent given by them. The members decide in a meeting about the matters mentioned in clause 1 with the majority of votes.
- (3) Every manager can claim for damages for his expenses as specified by the meeting of the members (Steering Committee).

### **§ 8 Representation**

Every manager has the sole power to represent the grouping. This is valid irrespectively from the number of the managers appointed.

## **Meeting of the members (Steering Committee) (Steering Committee), member's resolutions**

### **§ 9 Meeting of the members (Steering Committee)**

- (1) The meetings of the members are called by the managing directors. Each managing director shall be entitled individually to call a member's meeting. On demand of a founding member and with a quorum of 10% of all members the managing directors are obliged to call a meeting of the members (Steering Committee).
- (2) In case of a general meeting of the members (Steering Committee) the call of a meeting of the members (Steering Committee) is preceded with a deadline of two weeks by a written communication to each member indicating the place, day, time and the agenda.
- (3) The meetings of the members in principle take place in Hannover, the headquarters of the grouping. By the meetings a leader is selected with the majority of the participating votes. The meetings are managed by him. The grouping's management is responsible for the preparatory operations.
- (4) Resolutions can also be taken when legal and contractually stipulated regulations for the call and notification of the meeting are not respected provided that all members are present or represented by someone else and agreed with the resolution.
- (5) It is necessary to record the meetings of the members; place and day of the meeting, the members, the themes of the agenda, the basic matters of the negotiations and the resolutions of the members should be indicated in the protocol. The protocol has to be signed by the leader. A copy of the protocol has to be sent to each member.

### **§ 10 Member's resolutions**

- (1) The resolutions are taken by the members during the meetings. The resolutions can also be taken in writing by e-mail, telex or telephone outside of the meetings provided that each member has the possibility to participate.
- (2) The managing director should protocol immediately in written form the resolutions of the members indicating the day and the form of the resolutions taken, the matter of the resolution and the number of the participating votes. The protocol has to be sent immediately to each member by the managing directors.

### **§ 11 Quorum, need of majority approval, votes of the members**

- (1) A meeting of the members (Steering Committee) has a quorum when at least half of the member's presence or representation by someone else is

guaranteed in case where the resolutions should not to be taken by all the members (unanimously). If the presence or representation by someone else of the members is less than the half of the members it is necessary to call immediately a meeting of the members (Steering Committee) with the same agenda. This meeting of the members (Steering Committee) has the quorum without taking into consideration the number of the present or represented members, if so pointed out by calling this meeting.

(2) The resolutions of the members which have not to be taken unanimously according to the EEIG regulations or this contract are taken by the majority of the participating votes.

(3) The adoption of a new member has to be decided unanimously.

(4) The following resolutions are taken by a majority of 75 % of the participating votes:

- Designation of the Lead Registrant per substance,
- Approval of the Core Data to be submitted to the Agency, following recommendation of the Technical Committee;
- Exclusion of a Member;
- Appointment of the Trustee if necessary for compliance with competition law;
- Decisions on the conclusion of a contract with a new Associate and determination of the financial contribution of such new Associate.

(5) Resolutions on dissenting appropriation of profit in the sense of § 16 sec. 2 are taken by a majority of two thirds of the participating votes.

(6) Each member has one vote. One member can represent a single other member.

## **§ 12 Modifications of the founding contract**

The resolutions of the members concerning the modifications of this contract are taken with a majority of votes of two-third of the participating votes as far as they have not to be taken unanimously according to the EEIG Regulation.

## **Further bodies, Committees, Lead Registrant**

### **§ 13 Further bodies, Committees, Lead Registrant**

- (1) The Technical Committee shall consist of at least five representatives nominated by the Steering Committee and shall take decisions by 75% majority vote. The tasks of the Technical Committee shall be directed by the Steering Committee and may include, inter alia, to carry out and act on proposals for testing, to develop work plans, to select external consultants and to oversee the progress of contracted work and reporting. They support the secretariat and prepare the data basis for the registration procedure.
- (2) The Technical Committees may establish Task Forces for the development of Core Data. They prepare the work of the Technical Committees under all aspects. The Steering Committee shall approve the scope, composition and budget of the task forces. The secretariat supports the task forces upon request by them.
- (3) A Lead Registrant shall be appointed for each substance in accordance with Art. 11 of the REACH Regulation by the Steering Committee. The Lead Registrant, with the assistance of the REACH manager/secretariat and other bodies of the Consortium, shall prepare and carry out the registration procedure, on behalf of the EEIG, its members and the members of the respective SIEFs.

## **Business year, annual balance sheet, profit and loss**

### **§ 14 Business year**

The business year of the grouping is the calendar year.

### **§ 15 Annual balance sheet**

- (1) In the first three months of the business year and in accordance with the German law regulations applied for non-companies the managing directors should prepare the annual balance sheet (balance, profit and loss, status report) for the precedent year which is presented to the members for taking resolutions. The annual balance sheet should be in German and English.
- (2) The meeting of the members (Steering Committee) decide about the annual balance sheet with the majority of the participating votes.



## **§ 16 Profit and Loss, profit appropriation**

- (1) The grouping does not intend to make profits. If nevertheless a profit or loss occurs the members share the grouping's profit and loss according to their capital contribution of the grouping.
- (2) An annual profit of the grouping is to be distributed or by decision of the members to be allocated to the members capital account.

## **Dismissal, exclusion, liquidation**

### **§ 17 Dismissal**

- (1) Each member can quit the grouping respecting the deadline of three month by written declaration to the secretariat.
- (2) The dismissal should be in written form and issued toward a managing director of the grouping.
- (3) The member to whom is given notice has to leave the grouping with expiration of the term of notice. The grouping continues to exist with his members as far as they do not decide with majority of the participating votes to liquidate the grouping within nine months after the dismissal was reached.
- (4) The amount of the compensation is calculated according to article 33 of the EEIG regulation.

### **§ 18 Exclusion**

- (1) A member can be excluded by the grouping in case where he does not comply with his duties or if he has disturbed seriously the grouping's work or is on the verge todisturb and has not been repaired within 30 calendar days after formal notice has been sent by the REACH manager/secretariat by registered mail to the Member concerned. A breach of duties is considered also when the aim developing of the EEIG is omitted regularly owing to activity weakness. A resolution concerning of the exclusion of a member needs a majority of three-fourths of the rendered votes of the members.

The concerned member has no right to participate in taking this resolution; however he shall have the right to a hearing before taking the resolution.

- (2) Furthermore a member can be excluded from the grouping if in spite of a reminder he does not meet any longer the requirements of membership or does not comply with his duties to loss compensation in accordance to § 5 sector 1 of this contract or to pay subsequent capital contributions in accordance to § 5 sector 2 of this contract within a month.
- (3) § 17 sector 4 is applied accordingly.

## **§ 19 Liquidation**

The grouping can be liquidated by resolution by the end of a business year. The resolution needs a majority of three-fourths of votes of all members.

## **Miscellaneous**

## **§ 20 Arbitration**

- (1) All disputes of this contract concerning in particular its validity or the validity of its singular regulations are regulated by an arbitration excluding the ordinary legal actions. Competency, formation and procedure of the arbitration will be regulated by the members in the bylaws.
- (2) Every new member entering into the company, no matter under which legal action, is subject to the agreements made by the arbitral court in the bylaws.

## **§ 21 Partial invalidity**

Even in case of contract gaps or in case where singular regulations of this contract should be invalid the validity of the rest of the regulations will not be touched. Instead of an ineffective regulation another regulation corresponding wholly to the purpose of the ineffective regulation shall be considered as agreed. In case of gaps are applied and agreed the regulations corresponding more with the regulations which would have been agreed reasonably in compliance with the purpose of this contract if the members had known previously the matter.

## **§ 22 Applicable law**

The legal relationships of the members are subject to the law of the EEIG Regulation of 25 July 1985 (ABL. EU L199, Page 1) and the German law as far as containing further regulations (EEIG Implementation law of 14 April 1988, Federal Law Gazette I, page 514 modified lastly by article 16 of the law of 23 October 2008, Federal Law Gazette I, page 2026).

THIS AGREEMENT HAS BEEN MADE IN HANNOVER, EACH MEMBER RECEIVING ONE COPY.

FOR AND ON BEHALF OF

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