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moisture, microbial organisms, or sunlight.

(4) Any chemical substance which results from a chemical reaction that occurs incidental to storage or disposal of another chemical substance, mixture, or article.

(5) Any chemical substance which results from a chemical reaction that occurs upon end use of another chemical substance, mixture, or article such as an adhesive, paint, miscellaneous cleanser or other housekeeping product, fuel additive, water softening and treatment agent, photographic film, battery, match, or safety flare, and which is not itself manufactured for distribution in commerce or for use as an intermediate.

(6) Any chemical substance which results from a chemical reaction that occurs upon use of curable plastic or rubber molding compounds, inks, drying oils, metal finishing compounds, adhesives, or paints, or any other chemical substance formed during the manufacture of an article destined for the marketplace without further chemical change of the chemical substance except for those chemical changes that occur as described elsewhere in this paragraph.

(7) Any chemical substance which results from a chemical reaction that occurs when (i) a stabilizer, colorant, odorant, antioxidant, filler, solvent, carrier, surfactant, plasticizer, corrosion inhibitor, antifoamer or defoamer, dispersant, precipitation inhibitor, binder, emulsifier, deemulsifier, dewatering agent, agglomerating agent, adhesion promoter, flow modifier, pH neutralizer, sequesterant, coagulant, flocculant, fire retardant, lubricant, chelating agent, or quality control reagent functions as intended, or (ii) a chemical substance, which is intended solely to impart a specific physiochemical characteristic, functions as intended.

(8) Any nonisolated intermediate.

(i) Any chemical substance which is manufactured solely for non-commercial research and development purposes. Non-commercial research and development purposes include scientific experimentation, research, or analysis conducted by academic, government, or independent not-for-profit

research organizations (e.g., universities, colleges, teaching hospitals, and research institutes), unless the activity is for eventual commercial purposes.

[48 FR 21742, May 13, 1983, as amended at 51 FR 15101, Apr. 22, 1986; 87 FR 39763, July 5, 2022]

§ 720.36 Exemption for research and development.

(a) This part does not apply to a chemical substance if the following conditions are met:

(1) The chemical substance is manufactured only in small quantities solely for research and development.

(2) The manufacturer notifies all persons in its employ or to whom it directly distributes the chemical substance, who are engaged in experimentation, research, or analysis on the chemical substance, including the manufacture, processing, use, transport, storage, and disposal of the substance associated with research and development activities, of any risk to health, identified under paragraph (b) of this section, which may be associated with the substance. The notification must be made in accordance with paragraph (c) of this section.

(3) The chemical substance is used by, or directly under the supervision of, a technically qualified individual.

(b)(1) To determine whether notification under paragraph (a)(2) of this section is required, the manufacturer must review and evaluate the following information to determine whether there is reason to believe there is any potential risk to health which may be associated with the chemical substance:

(i) Information in its possession or control concerning any significant adverse reaction by persons exposed to the chemical substance which may reasonably be associated with such exposure.

(ii) Information provided to the manufacturer by a supplier or any other person concerning a health risk believed to be associated with the substance.

(iii) Health and environmental effects data in its possession or control concerning the substance.

(iv) Information on health effects which accompanies any EPA rule or

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order issued under sections 4, 5, or 6 of the Act that applies to the substance and of which the manufacturer has knowledge.

(2) When the research and development activity is conducted solely in a laboratory and exposure to the chemical substance is controlled through the implementation of prudent laboratory practices for handling chemical substances of unknown toxicity, and any distribution, except for purposes of disposal, is to other such laboratories for further research and development activity, the information specified in paragraph (b)(1) of this section need not be reviewed and evaluated. (For purposes of this paragraph, a laboratory is a contained research facility where relatively small quantities of chemical substances are used on a non-production basis, and where activities involve the use of containers for reactions, transfers, and other handling of substances designed to be easily manipulated by a single individual.)

(c)(1) The manufacturer must notify the persons identified in paragraph (a)(2) of this section by means of a container labeling system, conspicuous placement of notices in areas where exposure may occur, written notification to each person potentially exposed, or any other method of notification which adequately informs persons of health risks which the manufacturer has reason to believe may be associated with the substance, as determined under paragraph (b)(1) of this section.

(2) If the manufacturer distributes a chemical substance manufactured under this section to persons not in its employ, the manufacturer must in written form:

(i) Notify those persons that the substance is to be used only for research and development purposes.

(ii) Provide the notice of health risks specified in paragraph (c)(1) of this section.

(3) The adequacy of any notification under this section is the responsibility of the manufacturer.

(d) A chemical substance is not exempt from reporting under this part if any amount of the substance, including as part of a mixture, is processed, distributed in commerce, or used, for any commercial purpose other than re-

search and development, except where the chemical substance is processed, distributed in commerce, or used only as an impurity or as part of an article.

(e) Quantities of the chemical substance, or of mixtures or articles containing the chemical substance, remaining after completion of research and development activities may be:

(1) Disposed of as a waste in accordance with applicable Federal, state, and local regulations, or

(2) Used for the following commercial purposes:

(i) Burning it as a fuel.

(ii) Reacting or otherwise processing it to form other chemical substances for commercial purposes, including extracting component chemical substances.

(f) Quantities of research and development substances existing solely as impurities in a product or incorporated into an article, in accordance with paragraph (d) of this section, and quantities of research and development substances used solely for commercial purposes listed in paragraph (e) of this section, are not subject to the requirements of paragraphs (a), (b), and (c) of this section, once research and development activities have been completed.

(g) A person who manufactures a chemical substance in small quantities solely for research and development is not required to comply with the requirements of this section if the person's exclusive intention is to perform research and development activities solely for the purpose of determining whether the substance can be used as a pesticide.

[51 FR 15102, Apr. 22, 1986, as amended at 87 FR 39763, July 5, 2022]

§ 720.38 Exemptions for test marketing.

(a) Any person may apply for an exemption to manufacture a new chemical substance for test marketing. EPA may grant the exemption if the person demonstrates that the chemical substance will not present an unreasonable risk to injury to health or the environment as a result of the test marketing.

(b) Persons applying for a test-marketing exemption should provide the following information: