

## AMERICAN PETROLEUM INSTITUTE GLOBAL INDUSTRY SERVICES ENGINE OIL LICENSING AND CERTIFICATION SYSTEM

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Dear API Diesel Exhaust Fluid Certification Program Licensees:

Thank you for your participation in the API Diesel Exhaust Fluid Certification Program and your dedication to manufacturing quality diesel exhaust fluid. Your participation and dedication have helped to ensure that diesel exhaust fluid for diesel engine applications with selective catalytic reduction (SCR) that meets the ISO 22241 standard is identifiable and available globally.

With a process firmly in place to assure the quality of fluid meeting ISO 22241, API is pleased to announce that plans are underway to begin licensing Marine DEF products. Marine DEF, or AUS 40, is an aqueous high-purity urea solution at a concentration of 40% intended to operate converters with SCR in applications with large combustion engines. The program will certify brands of Marine DEF offered by marketers that have demonstrated that their products satisfy the requirements of the most recent and applicable edition of ISO 18611, *Ships and marine technology – Marine NOx reduction agent AUS 40.* **API expects to launch the new Marine DEF licensing program in December 2015.** 

To accomplish this task, API is modifying the existing licensing portal (<a href="https://dieselexhaust.api.org">https://dieselexhaust.api.org</a>) to accept applications for brands of Marine DEF. When the program launches, marketers will be able to license their Marine DEF brands in the same manner as they license DEF brands. Marine DEF brands will be listed under a separate printable license, but a licensed marketer will be able to manage all DEF and Marine DEF brands under one account and will not be required to pay a separate fee for the Marine DEF brands. The current fees cover DEF and Marine DEF. Additionally, consumers will be able to search the real-time, online directory of licensees for specific DEF and Marine DEF marketers and products and the DEF Aftermarket Audit Program will be expanded to include the sampling and testing of licenseed Marine DEF products.

In conjunction with the Marine DEF changes, API is also making upgrades to the renewal process. The most important upgrade is requiring Certificates of Analysis covering the previous year of licensure at time of license renewal. Please make sure you have pdf versions of the certificates when you start the renewal process after January 1.

To offset the cost of these efforts, API must modify the DEF program licensing fees. API has elected not to increase the initial application fee and the annual renewal fee at this time. Annually, marketers will be assessed a single renewal fee, whether they license DEF, Marine DEF, or both. However, API is eliminating the \$40,000 cap on the volume-of-sale royalty fee and adding a

separate reporting line for Marine DEF volumes. Licensees will be asked to report volumes of DEF and Marine DEF separately and a volume-of-sale royalty fee will be assessed for each reported volume.

The DEF fee structure—effective December 2015—is shown below:

<b>Fee Type</b>	Fee (USD)
License application fee (DEF and Marine DEF brands)	\$7,500
License renewal fee (DEF and Marine DEF brands)	\$7,500
Additional renewal fee based on volume	\$0.001 per US gal (no cap)

At time of annual license renewal, licensee must separately report volumes of API-licensed DEF and Marine DEF sold. API assesses \$0.001 per gallon fee on each gallon reported. Licensed diesel exhaust fluids sold in packages and in bulk must be included in volume report.

[Note that the application and renewal fees are per license, not per product. For example, if a marketer submits an application for DEF product (of either DEF product type), the application fee is \$7,500. If the marketer submits an application for more than one DEF product (of any DEF product type), the application fee is still just \$7,500.]

Benefits from API licensing include independent verification of the quality of licensed diesel exhaust fluids sold in the marketplace; listing in the real-time on-line Directory of DEF licensees; and rights to use the API quality marks (the API Diesel Exhaust Fluid Certification Mark and the API Marine Diesel Exhaust Fluid Certification Mark), symbols of quality that identify licensed diesel exhaust fluids to consumers. This includes using the marks on licensed DEF packages, in media, and on promotional materials.

Again, we thank you for your participation in and dedication to the Diesel Exhaust Fluid Certification Program. The program's goal is to provide the highest level of quality and service to the worldwide diesel exhaust fluid industry and we are committed to meeting this objective.

Sincerely,

**Kevin Ferrick** 

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Manager, Diesel Exhaust Fluid Certification Program