

REVISION 1 | FM-3067





Thank you for requesting information on the API Repair and Remanufacture Licensing Program.

This document details the API Repair and Remanufacture Licensing Program requirements. To apply to the program, please complete an online application using the "myCerts Portal Login" found at https://my.api.org.

If you have any questions, please contact API at www.api.org/ContactCertification.

Applications are processed once payment has been received. Thank you again for your interest in the API Repair and Remanufacture Licensing Program.



Part 1 - General Requirements

API Repair and Remanufacture licensing program general requirements.

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Becoming a licensed facility.

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Part 1 – General Requirements

- 1. The information contained herein details the applicable requirements for Organizations seeking approval to be Licensed under the API Repair and Remanufacture Licensing Program and to use the API Repair and Remanufacture Mark.
- 2. To obtain and retain an API Repair and Remanufacture Program license, an Organization must have a documented and functioning quality management system in place that meets both the requirements of API Specification Q1® Quality Management System Requirements for Organizations Providing Products for the Petroleum and Natural Gas Industry and at least one of the API Repair and Remanufacture Standards in the program.
- 3. The Repair and Remanufacture Licensing Program offers two forms of licensing for Organizations:
 - Structure 1- The Organization conducts repair and remanufacture activities within the scope of the license at one licensed location that is identified on its license certificate as the licensed facility. Under this Structure, API will audit the identified facility at least annually for conformance with program requirements.
 - 2. Structure 2- The Organization conducts repair or remanufacture activities within the scope of the license offsite at third party facilities. Under this Structure, the license certificate will identify the location at which the API Q1-compliant management system is maintained, and API shall audit at least annually the location that will be or has been identified on the organization's license certificate and third-party locations where activities within the scope of the license are being conducted. By selecting Structure 2, the Organization understands and agrees that it is obligated to (1) identify all locations, whether at its identified facility or third-party facilities, where it is conducting activities within the scope of the license, and (2) ensure that API's representatives have access to perform all necessary activities to ensure conformance with program requirements.

The Organization shall implement and maintain at all times at its Structure 1 licensed location and/or Structure 2 main location a quality management system conforming to API Specification Q1 for all repair and remanufacture activities performed on products for use in the Petroleum and Natural Gas Industry.

- 4. Structure 1 and/or Structure 2 licenses are only issued to Organizations that have satisfactorily passed annual on-site audits. For a Structure 1 license, an organization must pass annual audits of the location that will be or has been identified on the license certificate. For a Structure 2 license, an organization must pass annual audits of the location that will be or has been identified on the license certificate and any third party locations selected for audit by API. Site audits are required to verify an organization is capable of meeting program requirements. Audit fees will be paid by the facility.
- 5. The Organization shall provide the representatives of API access, with or without prior notice and during normal business hours, to the location and documents that are the subject of licensing or third party locations within the scope of this license, to perform all audit tasks that the representatives, in their sole and absolute discretion, believe is necessary to confirm compliance with program requirements. The Organization shall also be responsible for executing all necessary agreements and ensuring that the API auditor or auditors can perform all tasks at third-party locations and shall not impose any conditions on or require further agreements from API representatives for access to the Organization's or third parties' locations.
- 6. If the Organization fails to comply with API requirements, API shall take appropriate action that may include:
 - 1. Suspending or canceling the License,
 - 2. Reducing its scope of licensing, or
 - 3. Declining to grant, reinstate, or extend the scope of a license.



Part 1 – General Requirements

7. The organization must review the requirements stated in API Specification Q1 and the applicable API Standard(s) for which it is seeking a license. If an Organization feels that its repair and remanufacture processes meet all the stated quality requirements to obtain an API Repair and Remanufacture Program License for one or more standards, the organization must complete an online application using the "myCerts Login" found at https://my.api.org. The online application will require the following:

1. API Repair and Remanufacture Program License Agreement

A License Agreement must be reviewed and electronically signed.

NOTE: The applicant is not allowed to use the API Repair and Remanufacture Mark until all steps in the process have been completed (including satisfactorily passing an on-site audit), the applicant has paid the applicable fees, has agreed to comply with all terms and conditions of the agreement, and has signed the License Agreement.

2. Licensing Information

The organization must identify the API Standard and products, as well as the licensing Structure, for which it is requesting licensing. The list of licensable products can be found in the Licensing Information Forms located in the API Repair and Remanufacture Program section on www.api.org.

3. Non-Refundable Fee

Application(s) cannot be processed until full payment is received. See part 5 for a description of the applicable fees. Submittal of the application documentation, including licensing fees, does not give the applicant the right to use the API Repair and Remanufacture Mark. The License Agreement does not become effective until the date that it is executed by API.

8. API Standards

The licensed or applicant organization is required to own at least one official copy of the most current edition of the English language version of the API standards relative to the application or license. The standard must be the version of the document that is published by API and distributed by API or an authorized distributor. Translated versions of the documents are not acceptable alternatives to this requirement. It is the organization's responsibility to ensure the accuracy of any non-sanctioned translations of the API standards. If the requirements in any translation vary from the English language version, the requirements in the English language version shall apply.

You may order relevant specifications and other API publications through our distributors listed on the API website. You may also download a copy of the current API Publications, Programs, and Services catalog at www.api.org. This site also contains ordering information.

9. Licensee Capability Structures

Structure 1

Structure 1 is designed to identify facilities that have demonstrated the ability to perform repair and remanufacture activities at their site-specific licensed location. Additionally, the API Repair and Remanufacture Program Mark can only be applied for those products that are repaired and/or remanufactured at the licensed facility location.

Repair and Remanufacture activities are those activities necessary to physically change the product so that it complies with the requirements of the applicable repair and remanufacture standard. Such activities can include (this is not an exhaustive list):

- Disassembly and assembly (for assembled equipment only)
- Machining
- Welding
- Etc.

Performance of the following activities is not sufficient to demonstrate conformance with Structure 1 (this is not an exhaustive list):

- Inspection
- Testing
- · Design and development
- Control of supply chain
- Other activities that do not physically change the characteristics of the product



Part 1 – General Requirements

Structure 2

Under Structure 2, the organization may perform the repair and remanufacture activities at any location, as long as all activities are controlled in accordance with the requirements of the organization's quality management system.

The organization shall provide a list of all sites at which the Organization is currently or will be performing repair and remanufacture activities within the scope of the license for the dates requested by API. Failure to identify locations may result in immediate withdrawal of an application or suspension of license(s).

The Organization shall execute all necessary agreements and coordinate with API to ensure that the API auditor can perform all audit tasks that the auditor or API, in the auditor or API's sole and absolute discretion, believe necessary to confirm compliance with program requirements at all sites where repair and remanufacture are intended to be performed and shall not impose any conditions on or require further agreements from API representatives for access to the Organization's or third parties' locations. API may refuse to award, suspend, withdraw, or cancel the certificate if API determines that the auditor is unable to physically conduct the audit at such a site within the timeframe specified by API.

API shall be the sole determinant of whether the activities performed by an organization satisfy the repair and remanufacture requirements. API shall determine, in its sole and absolute discretion, how many and which activities at third party facilities shall be audited, and API may perform additional audits (at the Organization's expense) of any subcontractors to ensure their compliance with applicable requirements. The Organization understands and agrees that API will attempt to perform audits annually at locations where activities within the scope of the license are performed.

10. API Advisories

API regularly publishes Program Advisories on its webpage www.api.org. These advisories are intended to notify licensed/registered organizations of program policies and interpretations that have industry wide application. These advisories are part of the Program Requirements and compliance with them is compulsory. It is the responsibility of the licensed/registered organization to periodically check the site to ensure that the licensed/registered organization is complying with all of the advisories.

11. Location, Name and/or Ownership Changes

Licenses are non-transferrable. Licensed organizations shall notify API of location, name and/or ownership changes. Please note that ownership changes may require a re-issuance of license numbers. API will review the information provided to determine if actions such as the re-issuance of license numbers or other actions are required. Please contact API at www.api.org/ContactCertification to report any of the changes described above.

12. Appeal Process

If an Applicant or Licensed Organization wants to appeal API's decision to deny a license application or to suspend or cancel an existing license, the organization shall do so in accordance with the instructions for appeal found on the API website. Any decision by API to deny, suspend, or cancel an application or license shall stand while such an appeal is pending.

13. API Composite List

The API Composite List is an online directory of API Licensees and Management System Registered Organizations. Information about Applicant and Licensed organizations will be available publicly through the API website and other means as determined by API. The API Composite List includes facility-specific details such as addresses, phone numbers, email addresses, and number of employees reported to API. A listing of the organization's licenses, past and present, is also made available and includes licensed products, license number, license status, and any relevant dates as determined by API.

14. Date of Repair

Date of Remanufacture

Unless otherwise defined by the applicable repair and remanufacture standard, the Date of Repair or Remanufacture is the date of the organization's final acceptance of the finished product.



API Repair and Remanufacture Licensing Program Requirements Part 2 – Use and Misuse of the API Repair and Remanufacture Mark

- 1. A Licensee agrees to use the API Repair and Remanufacture Program Mark on products only as specified by API in this agreement. The Licensee understands and agrees that (1) its use of the API Repair and Remanufacture Program Mark is a representation and warranty by the Licensee that the products it is used in association with meet all of API's requirements, and (2) the Licensee assumes sole and complete responsibility for any claims that use of the API Repair and Remanufacture Mark on its products confused or otherwise harmed any user of the products. A Licensee agrees to use its License Number in conjunction with and only in conjunction with the marking of the products that meet the applicable product standard(s), and as described in item 2, below.
- 2. A Licensee agrees to use the API Repair and Remanufacture Mark on letterheads, buildings or other structures, websites or in any advertising only if it also includes an express statement of fact describing the scope of the Licensee's authorization (license number and product standard).
- 3. When the API Repair and Remanufacture Program Mark is used on applicable product, it shall always be in conjunction with the license number, date of repair or date of remanufacture, and a unique identifier (e.g. serial number) traceable to the specific repair/remanufacture activity. The API Repair and Remanufacture Mark shall be applied in close proximity to the product markings defined by the relevant API standard.
- 4. When the API Repair and Remanufacture Program Mark is used on applicable products, the organization shall mark "S1" if the repair or remanufacture was performed in accordance with Structure 1 and shall mark "S2" if the repair or remanufacture was performed in accordance with Structure 2. Either "S1" or "S2" shall be marked, but not both. This marking shall be in addition and in close proximity to the marking in item 3 above.
- 5. The API Repair and Remanufacture Program Mark shall be applied by an employee of the organization. Application of the API Repair and Remanufacture Mark shall not be outsourced or subcontracted.
- 6. Camera-ready artwork of the API Repair and Remanufacture Mark is available to Licensed Organizations. Only approved Marks provided by API may be used by the Licensed Organization.
- 7. Licensee shall not use the API Repair and Remanufacture Mark or license number(s), the name AMERICAN PETROLEUM INSTITUTE or the description "API" to indicate API approval or endorsement of the Licensee's products (in any advertising or otherwise). This includes the use of the API logo, Marks or license number(s) on any shipping documents, testing records, or contracts. This does not preclude the Licensee from using the API name to conform with marking requirements of API standards or to otherwise refer to API standards in contracts or purchase orders.
- 8. A Licensee agrees not to use the API Repair and Remanufacture Program Mark on products in a fashion likely to confuse customers as to the identity of the actual Licensee. If another entity's name is marked on the product by the Licensee, the Licensee's name and license number shall be closer to the API Repair and Remanufacture Mark than any other marking, and the Licensee's name shall be larger than the name of any other entity.
- 9. The Organization shall immediately, upon written notification, cease and desist the use of the API Repair and Remanufacture Program Mark and any claims of licensing: (1) upon suspension or cancellation of their license and, (2) in any manner which API interprets as misleading.
- 10. A Licensee agrees to notify API in a timely manner if it has evidence or information that indicates that its products displaying the API Repair and Remanufacture Program Mark do not comply with API's requirements and agrees to take action immediately in order to bring the product into full compliance. If a Licensee's products in the marketplace do not comply with API's requirements, Licensee agrees to take the corrective action that API has deemed necessary to protect the public or API in a timeframe specified by API.
- 11. The Licensee agrees that API may notify vendors, governmental authorities, potential users, and others of an improper or unauthorized use of the API Repair and Remanufacture Mark when in the judgement of API such notifications are necessary to protect consumers, the public, or API.
- 12. Any misuse of the API Repair and Remanufacture Program Mark and/or license numbers may be cause for suspension or cancellation of the Organization's license(s).



Part 3 – Licensing Process

1. Application Submission

Applications are submitted online through the "myCerts Portal" found at https://my.api.org. The myCerts Portal guides the applicant through the process requesting relevant information such as company name, location, number of employees, desired licensing scope, etc. The application is reviewed by API once all legal agreements are electronically signed and payment is confirmed.

Before submitting an application, make sure your organization can answer YES to the following questions:

- (a) Have you implemented and maintained a management system that meets the applicable requirements of API Spec Q1 for at least four months?
- (b) Has a full system internal audit been performed?
- (c) Has a management review been conducted?
- (d) Have you identified and provided justification for any QMS exclusions?
- (e) Do you own an authorized copy of the most current edition of all API Product standard(s) relevant to your application?
- (f) Do you have a design, if applicable, for each product under the scope of your application for licensing?
- (g) Have you reviewed all API Advisories?

2. Application Review

Upon receipt of your completed application, the API staff will review the information you submitted. If the information provided with the application does not meet the stated requirements, you will be notified of any deficiencies and you will be required to provide clarifications and/or resubmit documents.

3. Auditor Assignment

Upon acceptance of your application, an on-site audit will be scheduled at a time mutually convenient to your Organization and the designated API auditor and at your Organization's expense. Organizations will be given the audit team leader's name and all other pertinent information regarding preparation for your on-site audit. For organizations applying under Structure 2, arrangements must be made by the organization in advance to ensure the auditor can conduct the audit at any location where repair/remanufacture activities are performed.

4. On-Site Audit

API will perform a Stage 1 audit and a full system on-site Stage 2 audit that covers all processes of the Management System. During the audit, the Organization must provide evidence of its capability to repair or remanufacture the products within the scope of its application, including design documentation (if applicable); evidence of personnel competence, equipment, and procedures and documentation required to repair or remanufacture the product(s); product realization documentation demonstrating the capability to perform the process(es) required to repair or remanufacture the product(s); and performing repair, remanufacturing, inspection and test activities consistent with the product requirements. After the audit is conducted, the audit team leader will prepare a detailed report, and any nonconformances will be reviewed with the Organization representatives during an exit interview. The original report will be forwarded to API staff for verification that the program described in the audited Organization's QMS is in place and functioning. Audit fees will be paid by the facility.

5. Audit Review

Your organization shall provide a correction, root cause analysis, and corrective actions for any nonconformity identified during the audit. The API staff decision to issue a license is based upon objective evidence obtained during the audit that verifies conformance with API quality standards and API Repair and Remanufacture Program requirements. All the audit records and the actions taken as a result of nonconformities are maintained in myCerts.

6. Initial Licensing

Issuance of the license(s) is dependent upon API's evaluation of the Organization's QMS and the Organization satisfactorily passing an on-site audit of its facility and processes by API through its designated auditors.

7. Renewal Audit

Evaluation of Licensees is a continuing process with renewal audits required every three years or at a shorter frequency as determined by API. In the interim there may be unscheduled periodic or for-cause re-audits, at the sole discretion of API.



Part 3 – Licensing Process

8. Annual Surveillance

API will perform on-site full-system surveillance audits of the management system of Licensed Organizations. The frequency of surveillance audits shall be at the discretion of API but shall be at least once every calendar year. Following the surveillance audit(s), API shall determine if any further action, which could include notification of suspension or cancellation, or if a follow-up audit may be required.

9. Changes to Scope

- (a) An Organization may apply to change the scope of licensing by submitting a completed Licensing Information Form to www.api.org/ContactCertification.
- (b) The Organization shall be responsible for promptly informing API about any proposed changes to their MS or any other changes that may affect conformance to the licensing requirements. These include, for example, changes relating to:
 - the Organization's legal, commercial, or organizational status, or ownership;
 - organization and management (e.g., key managerial, decision-making or technical staff);
 - · contact address and sites;
 - · scope of operations under the management system, and major changes to the management system and processes.
- (c) API shall review the proposed changes for conformance to the licensing requirements and decide whether to accept the changes, reject the changes, perform an audit, or carry out further investigation. The Organization will be notified of API's decision.

10. Suspension or Cancellation of License

- (a) A License may be suspended for a period, at the discretion of API, if:
 - Audits indicate nonconformance to the requirements but cancellation is not considered necessary by the API Licensing and Registration Committee,
 - The registered organization delays the scheduling of audits or fails to undergo required audits,
 - API receives complaints against the Organization that are deemed as valid and/or the organization fails to resolve such
 complaints.
 - The Organization improperly uses any API Marks, and/or
 - If the Organization violates any of the requirements of the API Repair and Remanufacture Licensing Program.
- (b) A License may be cancelled, at the discretion of API, for the following reasons:
 - Any of the reasons for which suspension is appropriate,
 - When the conditions for suspension have not been removed within the specified time period,
 - If an audit indicates that nonconformances to the requirements are of a serious nature requiring immediate cancellation as determined by the API Licensing and Registration Committee,
 - · When formally requested by the Organization, and/or
 - If the Organization no longer has the capability to repair or remanufacture the products for which they are license.
- (c) API will notify the organization when any of its certificates are suspended or cancelled. For suspension, API will provide the conditions under which the suspension may be removed.
- (d) When a suspended organization fulfills the conditions of reinstatement, API may reinstate the license upon approval of the Licensing and Registration Committee.



Part 4 - API Repair and Remanufacture License Agreement

This section provides a detailed description on the rules governing the API Repair and Remanufacture Licensing Program. The API Repair and Remanufacture Program Licensing agreement shall be signed electronically during the online application by an authorized representative of the organization. Note that under exceptional circumstances such as name or location changes, API staff may require your organization to provide a signed copy of this document.

Use of the API Repair and Manufacture Program Mark



WHEREAS, API is the owner of all rights to the certification mark (hereinafter "The API Repair and Remanufacture Mark") relating to API's Repair and Remanufacture Program.

WHEREAS Licensee desires a non-exclusive license from API on or in connection with the marketing of goods repaired or remanufactured in accordance with API standards and specifications.

NOW THEREFORE, in consideration of the mutual covenants hereinafter stated, the parties agree as follows:

1. API grants to Licensee a non-exclusive non-transferable license to use the API Repair and Remanufacture Mark on the types of products set forth in the API Repair and Remanufacture Program Certificate, which is made a part hereof, provided that these products are repaired or remanufactured in accordance with the requirements set forth in the API Product Standard in effect at the time of repair or remanufacture associated with the applicable license number, API Specification Q1 (Quality Management System Requirements for Organizations Providing Products for the Petroleum and Natural Gas Industry), and the API Repair and Remanufacture Program Requirements, including any amendments, modifications, substitutions or interpretations that hereafter are adopted (hereinafter "the API requirements" or "the requirements").

This Agreement is applicable only to Licensee's product(s) that are repaired or remanufactured under the QMS managed from the Licensee's facility identified on the API Repair and Remanufacture Program Certificate (hereinafter "facility").

- 2. A Licensee agrees to use the API Repair and Remanufacture Mark on letterheads, buildings or other structures, websites or in any advertising only if it also includes an express statement of fact describing the scope of Licensee's authorization (license number and product standard).
- 3. Licensee shall not use the API Repair and Remanufacture Mark or license number(s), the name AMERICAN PETROLEUM INSTITUTE or the description "API" to indicate API approval or endorsement of the Licensee's products (in any advertising or otherwise). This includes the use of the API logo, Marks or license number(s) on any shipping documents, testing records, or contracts. This does not preclude the Licensee from using the API name to conform with marking requirements of API standards or to otherwise refer to API standards in contracts or purchase orders.
- 4. Licensee agrees that use of the API Repair and Remanufacture Mark on the products shall constitute a representation and warranty by Licensee to API and to the purchasers of the Licensee's products that the products conform to the applicable standards, specifications, and requirements of API; and Licensee agrees to be solely responsible for, and to defend, indemnify, and hold API and API's affiliates, officers, directors, agents, and employees harmless against any and all claims, actions, suits, liabilities, demands, expenses (including reasonable attorneys' fees), losses, costs, or damages asserted against or incurred by API alleging; (1) the failure of Licensee's products to conform to such standards, specifications, and requirements or (2) the breach of any obligations or warranties contained in this agreement; and Licensee further agrees to defend API, at Licensee's expense, against any and all such suits, claims or proceedings.
- 5. API shall be the sole judge of whether Licensee or applicant meets the appropriate qualifications to become and remain a Licensee and whether the Licensee and the Licensee's products meet the appropriate standards or specifications, or requirements.
- 6. Licensee agrees to implement and maintain at the facility a quality program conforming to API Specification Q1 at all times and for all repair and remanufacture activities performed on products for use in the Petroleum and Natural Gas Industry.
- 7. Licensee agrees to use the API Repair and Remanufacture Program Mark on products only as specified by API. The Licensee agrees that it will use the API Repair and Remanufacture Program Mark only on products that meet all of API's requirements and agrees to assume full and complete responsibility for use of the API Repair and Remanufacture Mark on its products. A Licensee agrees to use its License Number in conjunction with and only in conjunction with the marking of the products that meet the applicable product standard(s), and as described in item 2, above.

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<< ALL REGISTRATION AGREEMENT PAGES MUST BE INITIALED.



Part 4 – API Repair and Remanufacture License Agreement

- 8. Licensee agrees to use the API Repair and Remanufacture Mark on products repaired or remanufactured to the API Standard in effect as of the Date of Repair or Date of Remanufacture marked on the product. When a new edition of the standard is published, the new edition shall become effective on the program date printed on the cover but may be used voluntarily from the date of publication provided the products are traceable to the applicable standard edition.
- 9. The Licensee understands and agrees that, in the event that API determines, in its sole and absolute discretion, that the Licensee's use of the API Repair and Remanufacture Mark and/or license number(s) is likely to confuse consumers as to the identity of the manufacturer of a product, the license to use the API Repair and Remanufacture Mark may be immediately suspended or cancelled. Licensee agrees to take those steps that API deems necessary to provide consumers with sufficient information to correct any such consumer confusion.
- 10. Licensee agrees to maintain accurate contact information in the API myCerts database and shall respond within specified times to all API notices and queries sent electronically. Failure to respond to API communications may result in immediate suspension or cancellation of all licenses.
- 11. Licensee agrees that any auditing, sampling, inspections, or tests conducted by API are designed only to verify conformance with API requirements and do not relieve the Licensee of its responsibility to ensure the quality of its products in the marketplace or ensure that all of its products meet API requirements. Licensee shall be solely responsible for ensuring compliance with all applicable API standards or product specifications.
- 12. If API's requirements are modified during the term of this Agreement, API shall determine the date by which the new requirements become effective and shall notify the Licensee of such date. Licensee agrees to comply with the modified requirements and to use the API Repair and Remanufacture Mark after the effective date only on products that meet the new or revised requirements.
- 13. If this agreement is modified, the new revision of the agreement will become effective once published on the API website. Licensee agrees to comply with the most recent revision of this agreement at all times. Licensee agrees to review all revised Agreement terms in the time specified and provide their acceptance of the terms in the time specified in notices sent by API. For the avoidance of doubt, (1) no unilateral amendment will retroactively modify agreed provisions of this Agreement for disputes under the Agreement for which API has been provided written notification, and (2) continued acceptance of licensing to use the API Repair and Remanufacture Program Mark by Licensee, regardless of the Licensee's failure to respond to any notice of changes, shall constitute acceptance of all changes to the Agreement as published by API on the API website.
- 14. Licensee shall notify API in writing in the event that its operations are significantly disrupted due to natural disaster (such as hurricane, earthquake, fire, flooding, or tornado), malicious computer hacking, political unrest, pandemic disease, financial distress, or any other situation that prevents normal operation or quality control.
- 15. Licensee agrees to pay API the annual license fee specified in the Fee Schedule, within the timeframe specified by API. This annual fee may be revised at any time if deemed necessary by API to cover the costs of administration and enforcement of the program. All fees are payable in U.S. Dollars. Licensee agrees to pay any audit fees related to the program within the time frame specified by API. Fees are not refundable under the terms of this agreement, including upon cancellation of any rights or termination of the agreement.
- 16. Licensee understands and agrees that:
 - (a) A renewal audit shall be conducted based on the licensing expiration date, at a 3 years or shorter frequency as determined by API. Surveillance audits shall be conducted at least once every calendar year but may be performed at a higher frequency as determined by API. Renewal audits, surveillance audits, and any re-audits, if warranted, shall be at the expense of the licensee. Any audits of Licensee's contractors that are deemed necessary by API to ensure compliance with API's requirements shall be at the expense of the Licensee.
 - (b) API's representatives shall, after giving notice reasonable to the circumstances of an audit, have the access to the facilities covered by this Agreement in order to perform the audit. In the event of a periodic audit, API may not provide advance notice. The Licensee understands and agrees that it is the Licensee's sole responsibility to ensure that API's agents have the authority to enter into and audit any facility where activities are conducted within the scope of its application or license and that the provisions of this paragraph shall be applicable to the facilities of the Licensee's contractors and third parties if API determines that an audit of these facilities is needed in order to ensure conformance with the applicable standard(s). The Licensee agrees to supply API with the required contractor information and/or facilitate contractor contacts in order for API to perform an audit of these facilities, if deemed necessary by API.

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<< ALL REGISTRATION AGREEMENT PAGES MUST BE INITIALED.



Part 4 - API Repair and Remanufacture License Agreement

- (c) The right of API's representative to obtain free access to the Licensee's facilities, third party facilities where activities within the scope of the license, or the facilities of any contractor shall not be conditioned upon the execution by the representative or API of any agreement, waiver or release that in any way purports to affect the representative's legal rights or the rights or obligations of API. Any such document executed in contravention of this provision shall be without force or effect. However, API shall direct its representative to exercise due care in complying with any plant safety regulations that may be generally applicable to the manufacturer's plant personnel.
- (d) Licensee's facility may be audited periodically during the term of this license to determine whether or not Licensee may continue to qualify for the authorization to use the API Repair and Remanufacture Mark. The scheduling and frequency of the periodic audits will be at the discretion of API. Licensee agrees to permit API, or any approved API auditor to conduct such audits even if no advance notice is given to the licensee.
- (e) Licensee understands and agrees that API may terminate Licensee's authorization to use the API Repair and Remanufacture Mark if Licensee or Licensee's contractors fail to provide access to the facilities within the time frame specified by API or otherwise attempt to threaten, intimidate, or interfere with an API auditor performing an audit.
- 17. Licensee agrees to pay all sales, use, property, excise, and other taxes now or hereafter imposed by any government body or authority based on or in any way measured by this Agreement.
- 18. Licensee agrees to notify API in a timely manner if it has evidence or information that indicates that its products displaying the API Repair and Remanufacture Mark do not conform to API's requirements and agrees to take action immediately in order to bring the product into full compliance. Licensee's products in the marketplace do not comply with API's requirement, Licensee agrees to take whatever corrective action (including product recall) that is deemed necessary by API to protect consumers or API in a time frame specified by API.
- 19. The Licensee agrees that API may notify vendors, governmental authorities, potential users, and others of an improper or unauthorized use of the API Repair and Remanufacture Mark when in the judgment of API such notifications are necessary to protect consumers, the public, or API.
- 20. This Agreement may be terminated by API at any time and for any reason satisfactory to API after providing notice to the Licensee. However, if the Licensee defaults in any of its obligations under this Agreement, API may immediately terminate or suspend the rights or authority conferred by this Agreement without prejudice to any other rights that API may have. Termination, suspension, or expiration of this Agreement shall not affect any liability of the parties existing as of the date of such action, shall not relieve the Licensee of its obligation of indemnity as to products manufactured or distributed prior thereto, and shall not excuse Licensee from paying any fees or other charges owing to API. Upon termination or suspension, with or without cause, of any rights or authority conferred by this Agreement, or upon expiration of this Agreement, the Licensee agrees to immediately discontinue the use of the API Repair and Remanufacture Mark on any product that is the subject of such termination, suspension, or expiration. If this Agreement is terminated for cause by API or at the request of the Licensee, the Licensee agrees that API shall not be obligated to refund any fees or payments made by Licensee. LICENSEE AGREES THAT UNDER NO CIRCUMSTANCES SHALL API BE LIABLE FOR LOSS OF PROFITS, LOSS OF INCOME, LOSS OF BUSINESS OPPORTUNITY, ECONOMIC LOSS OR OTHER CONSEQUENTIAL LOSS OR DAMAGES AS A RESULT OF THE TERMINATION OR SUSPENSION OF ANY RIGHTS GRANTED UNDER THIS AGREEMENT.
- 21. Licensee agrees not to alter, adjust, amend, vary, revise, or otherwise modify the API Repair and Remanufacture Program Certificate or any copies thereof.
- 22. The Licensee agrees that the manufacture, repair, remanufacture, sale, delivery, shipment, distribution, or promotion of any product utilizing the API Repair and Remanufacture Mark would mislead the public if such product does not comply with the requirements of API as herein provided and agrees that any breach of this contract in this respect could not adequately be compensated for in money damages. For these and other reasons, the Licensee agrees that, in the event of the violation of any of the terms and conditions of this Agreement, a temporary injunction may be issued at the instance of API restraining the Licensee from further use of the API Repair and Remanufacture Mark in any manner whatsoever, and from any further sale or offering for sale, delivery or distribution of said products bearing the API Repair and Remanufacture Mark, and any other relief that may be deemed appropriate. The granting or issuance of such temporary injunction shall not affect the right of API to compensatory and punitive damages for the misuse of the API Repair and Remanufacture Mark or its name, abbreviations, or symbols, and shall be in addition to, and not in lieu of, any other rights and remedies provided by this Agreement.

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<< ALL REGISTRATION AGREEMENT PAGES MUST BE INITIALED.



Part 4 – API Repair and Remanufacture License Agreement

- 23. Licensee agrees not to make any intentional representations or statements related to the API Repair and Remanufacture Program, to potential customers, or to API that are false, misleading, or inconsistent with the terms of this License Agreement, including but not limited to false claims to be the original product manufacturer or to be certified by API, or use of the API Repair and Remanufacture Mark to indicate such.
- 24. Licensee agrees to comply strictly with API's ethics rules, including the Code Of Conduct For API Monogram Licensees, API Repair And Remanufacture Program Licensees, APIQR Registered Organizations And Program Applicants" (the "API Code of Conduct"). Licensee agrees to provide a copy of the API Code of Conduct to all Licensee employees responsible for any tasks as part of the API licensing and auditing process, and to provide sufficient individual training to ensure compliance. Licensee understands and agrees that API may, in its sole discretion and at any time, including denying an application or suspend or cancel a license in the event that API determines that evidence exists of unethical conduct or a violation of the API Code of Conduct. In the event of such action, Licensee may further be ineligible for application for licensing by API for a period of time to be specified by API.
- 25. API has the right, but not the obligation, to register at its own cost, any or all of the API Repair and Remanufacture Mark worldwide. Furthermore, API does not represent or warrant, express or implied, that the API Repair and Remanufacture Mark does not infringe or otherwise violate the rights of third parties. API, however, represents and warrants that it has no actual knowledge that the API Repair and Remanufacture Mark infringes or otherwise violates any valid right of any third party in whole or part that would preclude Licensee from using the API Repair and Remanufacture Mark as provided for in this Agreement.
- 26. Licensee agrees that API is the sole owner of the API Repair and Remanufacture Mark and agrees not to take any actions that are inconsistent with API's ownership rights including, but not limited to, challenging API's ownership rights, challenging the validity of the API Repair and Remanufacture Mark or any registrations and applications thereof, and/or attempting to register the API Repair and Remanufacture Mark or other API marks in any country, state, or other jurisdiction. For the avoidance of doubt, Licensee shall not use the marks "American Petroleum Institute," "API," or the API corporate logo design in any fashion except as otherwise permitted in item 3 above, including but not limited to, any corporate name, web domain, or product branding.
- 27. The Licensee shall promptly notify API of any assertion that the use of the API Repair and Remanufacture Mark in the promotion or sale of licensed products hereunder infringes or violates the rights of any third party and will consult with API to determine the course of action to be followed in response to said assertion. API shall have the right to terminate this Agreement, in whole or in part, in response to said assertion. API does not undertake and shall have no obligation, but nevertheless shall be entitled, if it so desires, to defend any action brought for infringement or other violations of trademarks, patents, industrial and artistic designs, or copy rights owned by a third party or unfair competition with a third party when the basis of the claim is related to the Licensee's use of the API Repair and Remanufacture Mark. If API does not defend any such action, it shall have no obligation to reimburse or indemnify the Licensee, its agents, sub-agents, customers, or any other persons for the cost of defending such suit or for damages or costs incurred as a result of such actions.
- 28. With respect to all claims, actions, and suits to enforce API's rights in the marks, including suits in which the Licensee is joined as a party, API shall have the sole right to employ counsel of its choosing and to direct the handling of the litigation and any settlement thereof. API shall be entitled to receive and retain all settlement proceeds and all amounts awarded as damages, profits or otherwise in connection with such suits.
- 29. The Licensee agrees to assist API in the enforcement of any rights of API in the API Repair and Remanufacture Mark. Licensee agrees that it will not perform any acts that directly or indirectly assist a third-party in using the API Repair and Remanufacture Mark without authorization.
- 30. The Licensee agrees to notify API in writing of any infringements or imitations by third parties of the API Repair and Remanufacture Mark that may come to the Licensee's attention. API shall have the sole right to determine whether or not any action shall be taken, at its sole expense, on account of any such infringement or imitation. API, if it so desires, may commence or prosecute any claims, actions or suits in its own name or in the name of the Licensee or join the Licensee as a party thereto.
- 31. The Licensee agrees that this Agreement does not relieve the Licensee of its obligations concerning products marketed or distributed pursuant to previous License Agreements between Licensee and API and any amendments or renewals thereof. Licensee agrees that API may utilize the rights and remedies specified in this Agreement to ensure that products in the marketplace that were licensed to use the API Repair and Remanufacture Mark pursuant to previous agreements are in full compliance with the API requirements applicable at the time the product was marketed or distributed.

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Part 4 - API Repair and Remanufacture License Agreement

- 32. If any action or proceeding is brought by API to enforce, protect or establish any right or remedy with respect to this Agreement (including but not limited to the failure of the Licensee to pay applicable fees or audit costs) or with respect to the subject matter of this Agreement, API shall be entitled to recover reasonable attorney's fees and costs provided that it is the prevailing party.
- 33. The Licensee agrees to cooperate fully with API in any effort that API may deem advisable in order to record the Licensee as a registered user of the API Repair and Remanufacture Mark, including the providing of information and execution of documents in connection therewith. Expenses associated with such recording shall be borne by API.
- 34. Trade Sanctions. Licensee shall be solely responsible for ensuring its compliance with applicable laws and regulations.

Except as authorized by law, Licensee agrees that it will not export, re-export or disclose any product or technical data provided under this Agreement contrary to the laws and regulations of the United States and other countries relating to export trade, or to any country, entity or other party that is ineligible to receive such items under U.S. laws and regulations, including, but not limited to, regulations of the U.S. Department of Commerce or the U.S. Department of the Treasury.

Except as authorized by law, Licensee specifically warrants that it does not currently and shall not export or re-export any product or technical data supplied hereunder to any country or party subject to embargo or restrictions under U.S. law or regulations, which as of the signing of this Agreement, include, but are not limited to:

- (a) Countries subject to economic sanction under Executive Order of the President, regulations of the U.S. Treasury Department, or other U.S. law; and parties controlled by or acting for the governments of those countries, including, but not limited to, Cuba, Iran, Syria, North Korea, and the Crimea region of Ukraine;
- (b) Parties identified by the U.S. government as prohibited or restricted from participating in export transactions by any U.S. government agency, including but not limited to the U.S. Department of the Treasury's "List of Specially Designated Nationals and Blocked Persons" and "U.S. Sectoral Sanctions Identifications List," the U.S. Commerce Department's Denied Person's List or Entity List, and any party that is not itself specifically designated but that is 50% or more owned by a designated party, or is otherwise acting on behalf of a designated party; and
- (c) Any party engaged in or supporting terrorism or the design, development, production, stockpiling or use of nuclear, chemical or biological weapons or missiles.

Licensee also warrants that no product or technical data supplied hereunder will be used, either directly or indirectly, in, or in support of, exploration for, or production of, oil or gas in Russian deepwater, Arctic offshore locations, or shale formations in Russia.

If Licensee's activities hereunder do not comply with statutory or regulatory requirements, Licensee agrees to take whatever corrective action, including product recall, that is deemed necessary by API to protect consumers or API in a time frame specified by API.

Licensee agrees that API may, in its sole discretion, immediately terminate this Agreement if API learns information that it determines, in its sole discretion, to be evidence of a breach by Licensee of any representation set forth in this paragraph, and that API shall not be liable for any damages alleged to be caused by such termination.

Licensee agrees that API may notify any third party of an improper or unauthorized use of any API Marks when, in the sole judgment of API, such notifications are necessary to protect consumers, the public, or for API's own protection, and API shall not be liable for any damages whatsoever resulting from such notification.

- 35. Compliance. Licensee agrees that it:
 - (a) Will comply with all applicable laws governing bribery and corrupt practices, including but not limited to the U.S. Foreign Corrupt Practices Act;
 - (b) Will not take any action in furtherance of bribery of a government official or employee, or any political party or candidate; and

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<< ALL REGISTRATION AGREEMENT PAGES MUST BE INITIALED.



Part 4 - API Repair and Remanufacture License Agreement

- (c) Will not give or offer anything of value to any government official or employee, or any political party or candidate, for the purpose of:
 - (i) Influencing or rewarding any act or decision of such official, employee, party or candidate, either directly, or indirectly through an agent or subcontractor;
 - (ii) Inducing such official, employee, party, or candidate to violate his or her lawful duty;
 - (iii) Inducing such official, employee, party, or candidate to influence any government or instrumentality thereof; or
 - (iv) Securing any improper advantage for API.

For the purposes of this paragraph, employees of state-owned entities are considered "government officials or employees."

Licensee agrees to notify API immediately if Licensee receives any information indicating a possible violation of the requirements of this paragraph.

Licensee agrees that API may, at its sole discretion, immediately terminate this Agreement if API learns information that it determines, at its sole discretion, to be evidence of a breach by Licensee of any representation set forth in this paragraph, and that API shall not be liable for any damages alleged to be caused by such termination.

Licensee agrees that they shall comply with and render all services under this Agreement in accordance with all other applicable federal, state, and local laws and regulations.

- 36. This license shall not be assignable or transferable by Licensee in any manner nor shall Licensee have the right to grant sublicenses.
- 37. This Agreement shall be interpreted and governed by the law of the District of Columbia, United States of America.
- 38. In the event of any litigation between the parties arising under this Agreement, the parties agree that the only proper venue for such litigation shall be the District of Columbia, United States of America.
- 39. This instrument contains the entire and only Agreement between the parties with respect to the subject matter hereof. No oral statements or representations not herein contained shall have any force and effect.
- 40. It is expressly understood between the parties hereto that no association, agency, apparent agency, employer/employee relationship, partnership, or joint venture of any kind has been created.
- 41. API is a nonprofit corporation exempt from United States federal income tax under section 501(c)(6) of the Internal Revenue Code of 1986 as amended. No provision of this Agreement shall obligate API to take any action that is inconsistent with or that could jeopardize its tax-exempt status.
- 42. This Agreement shall terminate immediately without notice if Licensee files a petition in bankruptcy or is adjudicated as bankrupt or insolvent, or makes an assignment for the benefit of creditors, or an arrangement pursuant to any bankruptcy law, or if Licensee discontinues its business or a receiver is appointed for Licensee or for Licensee's business and such receiver is not discharged within thirty (30) days.
- 43. All payments due hereunder shall be made in U.S. Dollars and are exclusive of any sales, use or other taxes, fees or duties arising out of this Agreement.
- 44. The terms and conditions of this Agreement are severable. If any condition of this Agreement is deemed to be illegal or unenforceable under any rule of law, all other terms shall remain in force.
- 45. Any and all notices, reports, correspondence, amendments, requests, responses, and other communication associated with this Agreement shall be in the English language, and the controlling version of this Agreement shall be in the English language.
- 46. This Agreement shall not and is not intended to benefit nor to grant any right or remedy to any person or entity that is not a party to this Agreement.
- Licensee represents and warrants that Licensee is not located in, or under the control of, a national or resident of any U.S.embargoed country.

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<< ALL REGISTRATION AGREEMENT PAGES MUST BE INITIALED.



Part 4 – API Repair and Remanufacture License Agreement

- 48. The undersigned individuals represent and warrant that they are expressly and duly authorized by their respective entities or agencies to execute this Agreement and to legally bind their respective entities or agencies as set forth in this Agreement.
- 49. Any and all agreements, correspondence, certificates, and invoices sent via electronic means (to include but not limited to PDF files) will be considered as valid as the original.
- 50. Paragraphs 4, 5, 12, 15, 16, 17, 18, 19, 20, 21, 23, 28, 29, 32, and 33 survive termination, suspension, or expiration of this Agreement.
- 51. This agreement incorporates by reference the current program requirements attached to this agreement in Parts 1, 2, 3 and 5 of this document, "API Repair and Remanufacture Licensing Program Requirements." This agreement incorporates by reference the current API Repair and Remanufacture Licensing Program requirements posted on www.api.org.
- 52. This Agreement shall be effective as noted by the dates listed on the API Repair and Remanufacture Program license(s)/certificate(s)
- 53. Notices required to be given by this Agreement shall be in writing and shall be effective as of the date on which such notice is delivered to:

(a)	Director, API Repair and Remanufacture Program American Petroleum Institute 200 Massachusetts Avenue, NW Suite 1100, Washington, DC 20001-5571 USA
(b)	The Licensee at:
PPLICANT USE ONLY APPLICANT AGREEMENT AUTHORIZATION	
ame of Organization or Compan	y:
	er:
Signature of Authorized Office	er:
Title of Authorized Office	er:
Dat	e:
PLUSE ONLY LAPPLICANT AGREEMENT AUTHORIZATION	

anchal Lidday

Anchal Liddar Senior Vice President.

API Global Industry Services:



Part 5 – Licensing Fee and Directions

How To Determine Your Non-Refundable Application Fee

For every Application you submit, you must pay a Non-Refundable Application Fee. Applications cannot be processed until full payment is received. The Fee Schedule is as follows:

\$7,000.00 (U.S. Dollars)
First API Application, Structure 1 only

\$10,000.00 (U.S. Dollars)

First API Application, Structure 2 only

\$17,000.00 (U.S. Dollars)

First API Application, for both Structure 1 and Structure 2

\$4,500.00 (U.S. Dollars)

Each additional API Application, for Structure 1 only

\$7,500.00 (U.S. Dollars)

Each additional API Application, for Structure 2 only

\$12,000.00 (U.S. Dollars)

Each additional API Application, for both Structure 1 and Structure 2

The fee schedule applies to a single quality program at the same facility.

APPLICATIONS WILL NOT BE PROCESSED UNTIL PAYMENT IS RECEIVED.

Annual Fee

In addition to the Application Fee, Licensees will be assessed an Annual Fee for each certification for which they are authorized to use the API Repair and Remanufacture Mark. The annual fee amounts are identical to the application fee amounts identified above. First-time applicants issued API Repair and Remanufacture Program Certificates dated November 1 through December 31 shall not be required to pay an Annual Fee for the following year.

All annual invoices are generated in December. Payments are due 45 days from the date of the invoice. If payment is not received by the payment due date, the process for cancellation of licenses is initiated.

Certificates

Upon successful completion of the licensing process, including audit, a printed certificate will be issued to the applicant. A second certificate is available upon request at no cost. For a third, and each subsequent certificate, there will be a charge of \$50.00 per document issued.

Audit Costs (Standard)

The Applicant/Licensee pays the audit costs and any related auditor(s) expenses, including travel time, airfare, taxi, rental car, or private car, plus accommodations, meals, parking, telephone, etc., plus an administrative fee.

Audit invoices are generated within 60 days after completion of the audit. Payments are due 45 days after the date of the invoice. If payment is not received by the payment due date, the process for cancellation of licenses is initiated.

Audit Costs (Pay-in-Advance)

New clients (those not currently licensed or registered by API) are required to pre-pay the audit fee prior to undergoing their Initial audit. The audit fee is determined by API and is based on the location of the Organization and the duration of the audit. API may issue a second invoice after conducting the audit to account for changes that occurred since issuance of the original audit invoice. Fees are not refundable under the terms of this agreement, including upon reduction of scope, cancellation of any rights or termination of the agreement.

API will not perform the audit until payment is received. If a second invoice is issued and payment is not received by the payment due date, API will initiate the process for withdrawal of licenses.

Audit Cancellation Fee

Where the Applicant/Licensee cancels or postpones the date of on-site audit after it has been agreed to, a fee is payable under the policy as set forth below:

(a) Audits Cancelled or Postponed by Applicant/Registered organization more than thirty (30) calendar days prior to agreed upon date.

Standard: 100% of associated non-refundable auditor expenses (e.g., airfare). Pay-in-Advance: No cancellation fee applied.

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Part 5 – Licensing Fee and Directions

Submit applications for Repair and Remanufacture Licenses online at https://my.api.org Send correspondence about your application to Certification@api.org

(b) Audit Cancelled or Postponed by Applicant/Licensee within fifteen (15) to thirty (30) calendar-days of scheduled audit date.

Standard: 25% of projected auditor day rate total, in addition to 100% of associated non-refundable auditor expenses (e.g., airfare).

Pay-in-Advance: 25% of the total audit fee calculated by API

(c) Audit Cancelled or Postponed by Applicant/Licensee within eight (8) to fourteen (14) calendar-days of scheduled audit date.

Standard: 50% of projected auditor day rate total, in addition to 100% of associated non-refundable auditor expenses (e.g., airfare).

Pay-in-Advance: 50% of the total audit fee calculated by API

(d) Audit Cancelled or Postponed by Applicant/Licensee within one (1) to seven (7) calendar-days of scheduled audit date. Standard: 100% of projected auditor day rate total, in addition to 100% of associated non-refundable auditor expenses (e.g., airfare).

Pay-in-Advance: 100% of the total audit fee calculated by API

NOTE: Cancellation fees do not apply when the audit is cancelled or postponed due to acts of nature or due to extraordinary circumstances as determined by API.

All fees payable to API shall be in U.S. Dollars and shall include all bank handling charges and all applicable taxes.

Payment Directions:

- APPLICATIONS WILL NOT BE PROCESSED UNTIL PAYMENT IS RECEIVED
- All fees payable to API shall be in U.S. Dollars
- The applicants or participating organization shall be liable for any and all taxes, banking and service fees, including all applicable withholding taxes.
- · API's invoice number should be included with the payment to ensure proper traceability.
- · Payment instructions provided on the API invoice shall be followed.

API Tax Identification Number: 13-0433-430

Send correspondence about your payment to: QualityFinance@api.org



API REPAIR AND REMANUFACTURE PROGRAM

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(Toll-free in the U.S. and Canada)

(+1) 202-682-8041 (Local and International)

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Web: <u>www.api.org</u>