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November 2023

To API Diesel Exhaust Fluid (DEF) Certification Program Licensees:

Thank you for your participation in the API DEF Certification Program. Your participation in the program and commitment to manufacturing quality DEF have enabled diesel vehicles to meet continuously more stringent emissions requirements while extending the useful life of emissions reduction equipment.

API fees for participation in the program have remained unchanged since 2015. For the last 2 years, API has been reassessing the fee structure and costs. Additionally, API instituted changes to the renewal process in 2023 which required marketers to report volume-of-sales of API-licensed DEF sold during the previous year to be separately reported for bulk DEF and packaged DEF. This change has enabled API to evaluate additional options during the fee reassessment. We are pleased to announce the following changes:

Effective for 2024, the following fee changes will be applied: (1) the volume-of-sale royalty fee for **bulk product** will be **decreased to \$0.00075 per gallon** and (2) new application and license renewal fees will be **increased to \$8,000**. The volume-of-sale royalty fee for **packaged products** will remain **unchanged**.

The complete 2024 fee structure is shown below:

Fee Type	Fee (USD)
License application fee	\$8,000
License renewal fee	\$8,000
Additional renewal fee based on packaged volume	\$0.001
Additional renewal fee based on bulk volume	\$0.00075

At time of annual license renewal, licensee must report volume of API-licensed DEF sold during the previous year. API assesses \$0.001 per gallon fee on each gallon for packaged product and \$0.00075 per gallon fee on each gallon for bulk product. All API-licensed DEF brands, whether sold in packages or in bulk, must be counted in the volume reported.

[Note that the application and renewal fees are per license, not per product. For example, if a marketer submits an application for one DEF product, the application fee is \$8,000. If the marketer submits an application for more than one DEF product, the application fee is still \$8,000.]

As a reminder, your API licensing fees are necessary to cover the cost of program administration, but also enable API to meet the following goals:

- Sample and test hundreds of DEF products from the marketplace annually and provide Independent, third-party analysis of your API-licensed DEF products.
- Monitor and enforce the marketplace for unauthorized use of the API DEF Certification Mark, which can include sampling and testing of unlicensed DEF encountered.
- Heavily promote the use of API-licensed fluids via print, radio, online webinars, and other trade media.
- Engage, inform, and educate fleets and consumers on proper storage and handling of DEF to promote the preservation of fluid quality.

• Attend and participate in industry forums and committees and monitor/identify issues which may impact the API program or its licensees.

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

If you have any questions, please contact us at apidef@api.org.

Sincerely,

Bill O'Rg-

Bill O'Ryan Sr Manager – EOLCS/DEF