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July 23, 2004

API Lubricants Committee Members

Re: 1st Licensing Date for API Service Category SM

The API Lubricants Committee has recently reaffirmed the 8-3-2 vote on the September 30, 2004 "first use date" for the SM category. Although this vote satisfies the voting requirements specified in API standardization procedures, a significant number of members believe that the September 30th date will be a burden on a variety of licensees and result in an inequitable situation.

Based on information that has been received by API from various sources and the recommendation of the API Office of General Counsel, we believe that a delay in the initial licensing date of the SM category is warranted. As a result, API will not authorize the use of the API Service Symbol Donut with the SM designation until November 30, 2004. We believe that this delay will ensure that the industry will have a reasonable amount of time to respond to the new standard without having an adverse impact on consumers.

Note that the November 30, 2004 first use date applies only to the use of the API Service Symbol. The API Lubricants Committee has approved the SM specification, and this category is now part of API Publication 1509. Meanwhile, EOLCS Licensees may reference the SM designation on product labels to indicate that their products satisfy SM requirements prior to this date.

Sincerely.

John D. Modine

Director - Certifications Programs

AMERICAN PETROLEUM INSTITUTE

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