

## Purchase Order Terms and Conditions

### API 20E 1st Edition

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#### 1. Scope and Applicability

These terms and conditions govern the purchase of bolting for valves as specified in **API 20E 1st Edition**, which establishes requirements for alloy and carbon steel bolting for use in petroleum and natural gas industries. By accepting this Purchase Order (PO), the Seller agrees to supply products in strict compliance with the requirements outlined herein, including quality assurance, technical specifications, and performance criteria applicable to all types of valves.

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#### 2. Compliance with API 20E 1st Edition

- a. All bolting materials must conform to the material, manufacturing, testing, and certification requirements of API 20E 1st Edition.
  - b. The Seller must provide certificates of compliance with API 20E for all bolting supplied.
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#### 3. Quality Assurance

##### a. Quality Management System (QMS):

- The Seller must maintain a QMS certified to ISO 9001 or equivalent, ensuring compliance with API 20E standards and applicable industry regulations.

##### b. Documentation Requirements:

- The Seller must supply:
  - Material Test Certificates (MTCs) in accordance with EN 10204 Type 3.1 or 3.2.
  - Heat treatment records for bolting materials.
  - Test reports for mechanical properties, chemical composition, and hardness.
  - Dimensional inspection reports and certifications for any coatings or surface treatments.

##### c. Traceability:

- All bolting must be traceable to its heat number, lot number, and material origin. Traceability records must be maintained and made available for review upon request.

##### d. Inspection Rights:

- The Buyer reserves the right to inspect the Seller's facilities, quality systems, and processes to verify compliance with API 20E and purchase order requirements.

##### e. Non-Conformance:

- Any non-conforming materials or processes must be reported to the Buyer immediately. Corrective actions must be approved and implemented before resumption of supply.
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#### **4. Technical Specifications**

##### **a. Bolting Grades and Classes:**

- Bolting materials must conform to the grades (e.g., B7, L7, B16) and property classes specified in API 20E. The PO will indicate the required grade and class.
- Materials must meet specific ASTM specifications (e.g., A193, A320, A453) as referenced in API 20E.

##### **b. Heat Treatment:**

- Bolting must undergo heat treatment processes (e.g., quenching, tempering) as required by API 20E.
- The Seller must provide records of all heat treatment cycles and their results.

##### **c. Testing Requirements:**

- Mechanical Testing: Tensile, yield, elongation, reduction of area, and hardness tests must conform to API 20E requirements.
- Chemical Testing: Materials must meet specified chemical composition limits, verified by spectrographic or chemical analysis.
- Charpy V-Notch Impact Testing: For bolting used in low-temperature applications, Charpy impact test results must comply with PO requirements.

##### **d. Coatings and Surface Treatments:**

- If specified in the PO, bolting must be coated (e.g., PTFE, zinc) or treated (e.g., phosphate) according to API 20E requirements and relevant standards.

##### **e. Dimensional Tolerances:**

- Bolting must conform to specified dimensional tolerances for length, diameter, thread pitch, and surface finish as detailed in the PO.
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#### **5. Inspection and Testing**

##### **a. Third-Party Inspection:**

- The Buyer may appoint a third-party inspector to verify compliance with API 20E requirements. The Seller must accommodate such inspections and provide necessary access.

##### **b. Testing Facilities:**

- All testing must be conducted at accredited laboratories with ISO/IEC 17025 certification or equivalent.

**c. Documentation and Reports:**

- The Seller must provide complete test reports, including results of all required tests, signed and certified by authorized personnel.

**d. Rejection and Replacement:**

- Bolting that fails any inspection or test must be replaced at the Seller's expense, including associated costs for re-inspection or testing.
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**6. Delivery and Packaging**

**a. Delivery Requirements:**

- Bolting must be delivered on or before the agreed-upon delivery date specified in the PO. Delays may result in penalties.

**b. Packaging Standards:**

- Bolting must be packaged to prevent damage, contamination, or corrosion during transit and storage.
- Each package must include clear labeling of contents, including bolting grade, size, quantity, and batch/lot numbers.

**c. Shipping Documentation:**

- Each shipment must include the following:
    - Certificates of compliance with API 20E.
    - Material Test Certificates (MTCs).
    - Dimensional and inspection reports.
    - Handling and storage instructions, if applicable.
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**7. Warranty**

The Seller warrants that all bolting is free from defects in material, design, and workmanship and fully conforms to API 20E 1st Edition and PO specifications.

- Warranty Period: 18 months from delivery or 12 months from installation, whichever occurs first.
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**8. Indemnity and Liability**

The Seller agrees to indemnify and hold harmless the Buyer against any claims, damages, or losses resulting from non-compliance with API 20E, including defective materials or workmanship.

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## 9. Pricing and Payment

- a. Prices are fixed as per the PO and inclusive of all applicable taxes, duties, and fees unless otherwise agreed.
  - b. Payment terms are subject to acceptance of goods and documentation by the Buyer.
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## 10. Force Majeure

Neither party shall be held liable for delays or non-performance caused by events beyond their reasonable control, including natural disasters, government restrictions, or acts of war.

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## 11. Governing Law and Dispute Resolution

- a. The PO shall be governed by the laws of [Jurisdiction].
  - b. Disputes shall first be resolved amicably. If unresolved, arbitration under [Arbitration Rules] shall take place in [Location].
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## 12. Termination

- a. The Buyer reserves the right to terminate the PO if the Seller fails to meet any specified terms, including compliance with API 20E.
  - b. Termination for convenience may occur with mutual agreement, with equitable compensation for completed work.
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## 13. Confidentiality

The Seller must treat all technical and commercial information provided by the Buyer as confidential and shall not disclose it to third parties without prior written consent.

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## Acknowledgment

By accepting this Purchase Order, the Seller agrees to adhere to these terms and conditions, including full compliance with **API 20E 1st Edition**, applicable quality assurance standards, and technical specifications.