

Purchase Order Terms and Conditions

API 20F 1st Edition

1. Scope and Applicability

These terms and conditions govern the purchase of fasteners for valves as specified in **API 20F 1st Edition**, which defines the requirements for corrosion-resistant bolting used in the petroleum and natural gas industries. By accepting this Purchase Order (PO), the Seller agrees to supply products in strict compliance with API 20F requirements, including quality assurance, technical specifications, and applicable performance standards for all types of valves.

2. Compliance with API 20F 1st Edition

- a. All bolting materials and fasteners must fully comply with the material, manufacturing, testing, and certification requirements outlined in API 20F 1st Edition.
 - b. The Seller must provide certificates of compliance verifying that all fasteners meet API 20F standards and the requirements specified in the PO.
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3. Quality Assurance

a. Quality Management System (QMS):

- The Seller must maintain a QMS certified to ISO 9001 or an equivalent standard.
- The QMS must ensure consistent compliance with API 20F requirements and relevant industry standards.

b. Documentation:

- The Seller must supply:
 - Material Test Certificates (MTCs) per EN 10204 Type 3.1 or 3.2.
 - Heat treatment records for all fasteners.
 - Test reports for chemical composition, mechanical properties, hardness, and corrosion resistance.
 - Records of coatings or surface treatments, including application details and compliance.

c. Traceability:

- Each fastener must be traceable to its heat number, batch, and material source.
- Traceability documentation must be maintained and made available upon request.

d. Inspection Readiness:

- The Buyer or its representative reserves the right to audit the Seller's facilities, QMS, and manufacturing processes.

e. Non-Conformance:

- Any non-conforming items must be reported to the Buyer, and corrective actions must be approved and documented before proceeding.
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4. Technical Specifications

a. Bolting Grades and Material Classes:

- Fasteners must conform to the material grades and classes specified in API 20F. These include:
 - Austenitic, martensitic, ferritic, duplex, and precipitation-hardened stainless steels.
 - Nickel-based alloys for high corrosion resistance.

b. Heat Treatment and Manufacturing:

- All fasteners must be heat-treated and manufactured as per API 20F standards, with documented records of the processes.

c. Testing Requirements:

- **Mechanical Testing:** Tensile strength, yield strength, elongation, reduction of area, and hardness tests must meet API 20F specifications.
- **Corrosion Resistance Testing:** Fasteners must undergo pitting resistance, intergranular corrosion, and stress corrosion cracking tests.
- **Chemical Testing:** The Seller must verify that fasteners meet specified chemical composition requirements.

d. Surface Treatments and Coatings:

- If specified, fasteners must include protective coatings (e.g., PTFE, zinc, phosphate) or other surface treatments. Coating processes must conform to API 20F and PO specifications.

e. Dimensional Accuracy:

- Fasteners must conform to dimensional tolerances specified in the PO, including length, thread pitch, and surface finish.
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5. Inspection and Testing

a. Testing Standards:

- All tests must comply with API 20F requirements. Testing must be conducted at ISO/IEC 17025-accredited laboratories or facilities.

b. Third-Party Inspection:

- The Buyer reserves the right to appoint a third-party inspector to verify compliance. The Seller must facilitate such inspections and provide access to test results and facilities.

c. Testing Documentation:

- The Seller must provide complete and certified test reports, including:
 - Chemical analysis results.
 - Mechanical and corrosion testing outcomes.
 - Dimensional inspection reports.

d. Non-Conforming Items:

- Fasteners failing inspection or testing must be replaced at the Seller's expense, including costs for re-inspection or re-testing.
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6. Delivery and Packaging

a. Delivery Requirements:

- Fasteners must be delivered to the Buyer's specified location by the agreed date. Any delay may incur penalties as detailed in the PO.

b. Packaging Standards:

- Fasteners must be securely packaged to prevent damage, contamination, or corrosion during transit and storage.
- Packaging must include labeling with complete product details, including grade, size, batch number, and heat number.

c. Shipping Documentation:

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

The Seller warrants that all fasteners are free from defects in materials, design, and workmanship and fully conform to API 20F 1st Edition and PO specifications.

- Warranty Period: 18 months from delivery or 12 months from commissioning, whichever is earlier.
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8. Indemnity and Liability

The Seller shall indemnify and hold harmless the Buyer against any claims, damages, or losses arising from non-compliance with API 20F standards or these terms and conditions.

9. Pricing and Payment

- a. Prices stated in the PO are fixed and inclusive of all applicable taxes, duties, and fees unless otherwise agreed.
 - b. Payment terms are subject to Buyer acceptance of the goods and accompanying documentation.
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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, such as natural disasters, government actions, or acts of war.

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 comply with API 20F standards or any specified terms.
 - 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 must not disclose it to third parties without prior written consent.

Acknowledgment

By accepting this Purchase Order, the Seller agrees to comply with these terms and conditions, including full adherence to **API 20F 1st Edition**, applicable quality assurance standards, and technical specifications for fasteners used in valves.