

Steel Purchase Anti-Fraud Clause Template

Sample clauses to adapt into a steel purchase contract to reduce fraud exposure. These are illustrative starting points - have a qualified lawyer review any contract before signing.

1. Fixed banking details

Payment shall be made only to the bank account specified in this Article. The account holder name must match the Seller's registered legal name. Any change to these banking details shall be void unless agreed in a signed written amendment and confirmed by both parties by telephone using previously verified contact numbers.

2. Supplier identity warranty

The Seller warrants that it is duly registered under the legal name stated herein, that its business scope permits this transaction, and that all certificates, mill test reports, and heat numbers provided correspond to the goods actually supplied.

3. Inspection and loading supervision

The Buyer (or its appointed agent) shall have the right to full container-loading supervision, including photographs of every layer and weight reconciliation against the packing list. Positive material identification (PMI) and dimensional checks may be performed. The balance payment is conditional on receipt of a satisfactory timestamped inspection report.

4. Payment structure

For a first transaction, payment shall be made by irrevocable letter of credit or via escrow. Any deposit shall not exceed the agreed percentage and shall be tied to defined production and inspection milestones.

5. Specification and rejection

Goods not conforming to the agreed grade, chemistry, coating mass, dimensions, or tolerances may be rejected. The Seller shall bear the cost of replacement or refund for non-conforming goods, including reasonable inspection and return costs.

6. Documents required

- Commercial invoice and packing list matching the contract.
- Mill test certificate (EN 10204 3.1) with verifiable heat numbers.
- Bill of lading and certificate of origin.
- Third-party inspection report prior to balance payment.