

IDS Terms and Conditions Guide
Section D

Clause Number: D202L
Effective: 06/07/2005
Page: 1 of 1

LOSS ALLOWANCE

If Seller requests additional Buyer furnished material for a scrap allowance, in lieu of furnishing such scrap allowance, Buyer will not debit Seller for authorized scrappage of an amount of material which does not exceed the requested allowance. Accountability for such scrappage is required in the form of a Scrap Tag (Buyer or Seller) verified by Buyer's Source Inspection and furnished to the Buyer's Procurement Agent.