

IDS Terms and Conditions Guide
Section E

Clause Number: E009
Effective: 12/15/2006
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TEMPORARY TRANSFER OF BUYER/GOVERNMENT PROPERTY TO SELLER

This Purchase Order/Contract establishes accountability requirements for Buyer or Government owned property which has been or may be placed in Seller's possession and/or control for the exclusive purposes described in this Purchase Order/Contract. Seller agrees not to use the property received herein for any other purposes without prior written consent by the authorized Buyer Procurement Agent. Title to the subject property shall remain in Buyer or in the Government. The subject property shall not be transferred, destroyed, modified or otherwise disposed of without prior written authorization from the cognizant Buyer Procurement Agent.

Seller hereby assumes all risk of loss or damage to the subject property while in Seller's possession and/or control. Seller agrees to promptly report all incidents of loss, damage or destruction of the subject property to the cognizant Buyer Procurement Agent. Loss, damage or destruction reports shall contain the following factual data as to the cause and circumstances surrounding the incident:

- a. Contract number for which the property is accountable
- b. Property identification number and description of property, (e.g., National Stock Number (NSN), part number, serial number, tool number, etc.);
- c. Acquisition cost of the property if known. Damaged property will include cost of repair, if required by the applicable FAR/DFARS clauses;
- d. Date, time and location of incident/discovery;
- e. Cause and circumstances of the incident relevant to the determination of liability and responsibility for repair and replacement;
- f. Known interests in and commingled property of which the LDD is/was a part;
- g. Insurance, if any, covering the property or any commingled property;
- h. Estimated scrap proceeds, when applicable;
- i. Actions to prevent recurrence or repetition of similar incidents.

Furthermore, Seller agrees to maintain identity of the subject property as Buyer or Government owned, shall maintain accountability records, shall perform required maintenance and shall periodically inventory subject property in accordance with sound business practices. Seller also agrees to notify the cognizant Buyer Procurement Agent immediately when the subject property will no longer be required, and shall request disposition instructions from the Buyer Procurement Agent. Seller agrees to transfer subject property within five (5) days after receipt of Buyer's disposition instructions.