

IDS Terms and Conditions Guide
Section D

Clause Number: D604
Effective: 5/1/2006
Page: 1 of 1

RAW MATERIAL RISK MITIGATION

Thirty days after receipt of this contract, Seller shall be required to provide documentation verifying protection against raw material market price and leadtime variability. Such documentation shall cover all raw material types required to build the parts contained in this contract order and any option period, if applicable. The required documentation may be in the form of packing slips, invoices, long term contract, written pricing and availability assurance from mills, available stock on hand, or other substantive documentation. If Seller is unable to provide such documentation, this purchase order may be cancelled pursuant to the Cancellation for Default article set forth in Buyer's General Provisions, at Buyer's discretion, and the resulting cancellation will be completed at no cost to Buyer.

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Page: 1 of 1

Applicability

Use this clause in solicitations and purchase contracts where the Seller is required to furnish raw material, when the buyer deems the raw material type to possess excessive price and leadtime variability.