

**Government property.**

In accordance with the provisions of Appendix A-DoD, material supplied and charged to this order by NNS or the supplier shall be used solely in support of this purchase order. Disposition of scrap or excess material generated in fulfilling this order shall be affected through one of the following two options, prior to purchase order placement.

Option (1), after PO placement and component breakdown, the vendor/supplier shall identify a credit value for all scrap/excess from component/items being repaired. An itemized listing of all scrap/excess from components/items being repaired and the credit value shall be generated and negotiated, adjusted as necessary, and agreed upon by the parties. Following this approval, the itemized listing shall be applied to the PO and documented as a reduction in the PO price. If this method is elected, the vendor/supplier shall furnish a statement to that effect and title to actual scrap/excess from components/items being repaired in performance of the contract work shall then vest in the vendor/supplier.

Or

Option (2), the supplier shall segregate and itemize all residual and excess material (with the exception of scrap), by material type (regardless of condition) and return to NNS with final shipment. Items identified as scrap shall be disposed of in accordance with section "A" below and shall not be returned to NNS.

For all residual and excess material returned to NNS, the following information shall be annotated on a packing slip:

- A. Purchase order and item numbers
- B. Part numbers and description (must be segregated by part number)
- C. Quantity and cost by part number
- D. Condition code for each item (new/unused or used/removed for overhaul)
- E. National stock numbers (if applicable)
- F. Manufactured model numbers, serial number, etc.

A. Scrap may be disposed of in accordance with the attached "Government Property Pre-Approved Scrap List" including miscellaneous debris such as slag, cutting residue turnings, etc., and may be routinely disposed of at the subcontractors' facility. A summary report of items scrapped including description, quantity and value/dollars shall be reported to NNS quarterly.

B. Whenever scrap or excess material is not generated, a written statement to that effect shall accompany the final shipment.

**GOVERNMENT PROPERTY – SCRAP MATERIAL LIST**

The Government has authorized the Company to routinely dispose of the items listed below without individual approval when repairing, refurbishing, testing or performing authorized work on Government property or Government furnished equipment. These items must be worn, cut, broken, failed, damaged or have exceeded shelf life and cure dates and they must not be repairable items as identified in navy documents. Special tools and

test equipment are not included in this list.

**Single Function Devices, Electrical, and Electronic**

armor clamps  
bells  
branch boxes  
buzzers  
cable  
capacitors  
conduits  
connector plugs  
connection boxes  
contactor relays  
cooling coils  
deck edge light  
dial lamps  
diodes  
drop line light  
dust caps  
encapsulated & potted items  
fuses  
hangers  
horns  
housing  
indicator lights  
jack boxes  
loud speakers  
lacing wire  
light fixtures  
light bulbs  
limit switches  
pressure switches  
push button switches  
receptacles  
reflectors  
relay boxes  
resistors  
rotary selector switches  
rotary snap switches  
sleeves  
steam heaters  
telephone handsets  
telephone handset holders  
telephone biscuits  
telephone stowage boxes  
tank level indicators  
thermometers  
thermostats  
timing relays  
toggle switches  
transistors  
vacuum tubes  
wipers

**Rubber and Fiber Items**

bushings

gaskets  
lagging  
launch tube interface seals  
o-rings  
packing  
resilient mounts  
seals  
spacers

**Metal Items**

bearings  
brackets  
circuit breaker boxes  
collars  
couplings  
diaphragms  
discs  
doors (all)  
elbows  
filters  
flame cut plates  
foundations  
guides  
hatch covers  
hose, flex, assy.  
isolators, sound  
levers  
nipples  
nozzles  
pins  
pipe & tubing (all sizes)  
pipe fittings  
pipe hangers  
plates  
receptacle covers  
retainers  
rods  
rub strips  
shapes  
Sheet metal ducts  
shielding  
shims  
sleeves  
small shafts  
snap rings  
spacers  
stems  
television racks  
valves up to 4"  
(Valves with limiter require SUPSHIPNN review)  
vent ducts & associated  
hardware  
weldments  
worn or stripped gears

**Miscellaneous and Liquids**

adhesives floats glass  
glue  
nameplates  
paint

**Hardware**

bolts  
brackets  
door handles  
hinges  
lock washers  
nuts  
rivets  
screws  
springs  
washers

**Lavatory Equipment**

foundations  
partitions  
sinks toilets urinals

**Berthing Items**

bunks foundations joiner bulkheads mattresses  
pillows

**Office Equipment**

foundation storage racks