

**CLAUSES INCORPORATED BY REFERENCE  
FOR ORDERS UNDER U.S. GOVERNMENT CONTRACTS**

The following clauses from the Federal Acquisition Regulation ("FAR") and the Department of Defense FAR Supplement ("DFARS") are applicable to and incorporated by reference into all purchase orders ("Order") issued by GKN for non-commercial items, see FAR 2.101, in which the ultimate purchaser or end user is the United States Government or any instrumentality thereof. The following clauses shall have the same force and effect as if set forth below in full text. The dates of these clauses are the dates in effect as of the date of the Order issued by GKN. Supplier agrees to flow-down, as required, all applicable FAR and DFARS clauses as such are in effect as of the date of the Order. Supplier further agrees that all notifications and other communications required by these clauses shall be made through GKN's Purchasing Representative, unless the Order specifically provides otherwise.

Except as noted below, the following changes to the FAR and DFARS clauses are made for incorporation of these clauses into the Order in order to make the context of these clauses reflect the contractual relationship between GKN and Supplier: "Contractor" or "prime contractor" or "Offeror" shall mean "Supplier." "Government" shall mean "GKN." "Contracting Officer" shall mean "GKN's Purchasing Representative." "Contract" or "Schedule" shall mean the Order(s) issued by GKN to Supplier. Provided, however, that the terms "Government", and "Contracting Officer", do not change (1) when a right, act, authorization or obligation can be granted or performed only by the Government or its duly authorized representative; (2) when title to property is to be transferred directly to the Government; (3) with regard to FAR 52.203-6, 52.227-1, 52.227-2; and (4) where specifically modified as noted below:

**FAR TITLE**

**52.203-3 Gratuities**

**52.203-5 Covenant Against Contingent Fees**

**52.203-6 Restrictions on Subcontractor Sales to the Government** (applicable if Order exceeds simplified acquisition threshold)

**52.203-7 Anti-Kickback Procedures** (applicable if Order exceeds \$100,000; omit (c)(1))

**52.203-8 Cancellation, Rescission and Recovery of Funds for Illegal or Improper Activity**

**52.203-10 Price or Fee Adjustment for Illegal or Improper Activity** (in (c) "prime contractor" means Supplier)

**52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions**

**52.203-12 Limitation on Payments to Influence Certain Federal Transactions** (applicable if Order exceeds \$100,000;

Supplier shall submit referenced certification to GKN as reasonably requested)

**52.203-13 Code of Business Ethics and Conduct** (applicable if Order exceeds \$5 million and performance period exceeds 120 days)

**52.203-14 Display of Hotline Poster(s)** (applicable if Order exceeds \$5 million and performance period exceeds 120 days)

**52.204-2 Security Requirements** (omit (c))

**52.211-5 Material Requirements**

**52.211-15 Defense Priority and Allocation Requirements**

**52.214-26 Audit and Records--Sealed Bidding** (applicable if Order exceeds the threshold in FAR 15.403-4(a)(1))

**52.214-27 Price Reduction for Defective Cost or Pricing Data--Modifications--Sealed Bidding** (applicable if Order exceeds the threshold in FAR 15.403-4(a)(1); in (e) "United States" means GKN; Supplier shall submit certification to GKN as reasonably requested, and indemnify and hold GKN harmless for all loss, damage and expense resulting from Supplier's failure to comply ("Supplier certification and indemnification"))

**52.214-28 Subcontractor Cost or Pricing Data - Modifications - Sealed Bidding** (applicable if Order exceeds the threshold in FAR 15.403-4(a)(1); Supplier certification and indemnification applies)

**52.215-2 Audit and Records--Negotiation** (applicable if Order exceeds simplified acquisition threshold; the term "Contracting Officer" in (b), (c) and (e) means the Government's Contracting Officer)

**52.215-10 Price Reduction for Defective Cost or Pricing Data** (applicable if Order exceeds the threshold in FAR 15.403-4(a)(1); in (d) "United States" means GKN; Supplier certification and indemnification applies)

**52.215-11 Price Reduction for Defective Cost or Pricing Data - Modifications** (applicable if Order exceeds the threshold in FAR 15.403-4(a)(1); in (e) "United States" means GKN; Supplier certification and indemnification applies)

**52.215-12 Subcontractor Cost or Pricing Data** (applicable if Order exceeds the threshold in FAR 15.403-4(a)(1); Supplier certification and indemnification applies)

**52.215-13 Subcontractor Cost or Pricing Data--Modifications** (applicable if Order exceeds the threshold in FAR 15.403-4(a)(1); Supplier certification and indemnification applies)

**52.215-14 Integrity of Unit Prices** (applicable if Order exceeds simplified acquisition threshold; omit (b))

**52.215-15 Pension Adjustments and Asset Reversions** (applicable if cost or pricing data required, or preaward or postaward cost determination subject to FAR Part 31)

**52.215-18 Reversion or Adjustment of Plans for Post Retirement Benefits (PRB) Other Than Pensions** (applicable if cost or pricing data required, or preaward or postaward cost determination subject to FAR Part 31)

**52.215-19 Notification of Ownership Changes** (applicable if cost or pricing data required, or preaward or postaward cost determination subject to FAR Subpart 31.2)

**52.217-6 Option for Increased Quantity** ("Schedule" means Order; written notice within reasonable time determined by GKN)

**52.217-7 Option for Increased Quantity--Separately Priced Line Item** ("Schedule" means Order; written notice within reasonable time determined by GKN)

**52.219-8 Utilization of Small Business Concerns**

**52.219-9 Small Business Subcontracting Plan** (applicable if Supplier is other than a small business or Order is more than \$550,000)

**52.222-1 Notice to the Government of Labor Disputes**

**52.222-4 Contract Work Hours and Safety Standards Act--Overtime Compensation** (applicable if Order exceeds \$100,000 and is for noncommercial items; GKN may withhold or recover from Supplier amounts withheld from GKN because of a violation by Supplier or any of its subcontractors)

**52.222-20 Walsh-Healey Public Contracts Act**

**52.222-21 Certification of Nonsegregated Facilities**

**52.222-26 Equal Opportunity** (omit (a) and (d))

**52.222-35 Affirmative Action for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans** (applicable if Order exceeds \$100,000)

**52.222-36 Affirmative Action for Workers with Disabilities**

- 52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans** (applicable if Order exceeds \$100,000)
- 52.222-39 Notification of Employee Rights concerning Payment of Union Dues or Fees** (applicable if Order exceeds simplified acquisition threshold)
- 52.223-3 Hazardous Material Identification and Material Safety Data**
- 52.223-7 Notice of Radioactive Materials** (insert 90 days)
- 52.223-11 Ozone-Depleting Substances**
- 52.223-14 Toxic Chemical Release Reporting** (applicable if Order exceeds \$100,000; omit (e)) Rev Sept 2008 - 9 -

- 52.225-1 Buy American Act—Supplies** (“domestic end products” to include items ordered hereunder, whether or not end products themselves)
- 52.225-2 Buy American Act—Balance of Payments Program Certificate** (Supplier shall submit certification to GKN as reasonably requested)
- 52.225-3 Buy American Act—Free Trade Agreement—Israeli Trade Act**
- 52.225-4 Buy American Act—Free Trade Agreements – Israeli Trade Act Certificate** (Supplier shall submit certification to GKN as reasonably requested)
- 52.225-5 Trade Agreements**
- 52.225-6 Trade Agreements Certificate** (Supplier shall submit certification to GKN as reasonably requested)
- 52.225-8 Duty-Free Entry** (in (c)(1) change “20 calendar days” to “30 calendar days”; in (c)(2) change “10 calendar days” to “20 calendar days;” in (f) “Government” means the U.S. Government)
- 52.225-13 Restrictions on Certain Foreign Purchases**
- 52.227-1 Authorization and Consent** (applicable if Order exceeds simplified acquisition threshold)
- 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement** (applicable if Order exceeds simplified acquisition threshold)
- 52.227-3 Patent Indemnity**
- 52.227-9 Refund of Royalties**
- 52.227-10 Filing of Patent Applications—Classified Subject Matter**
- 52.227-11 Patent Rights—Ownership by the Contractor**
- 52.227-13 Patent Rights—Ownership by the Government**
- 52.227-14 Rights in Data—General** (in (b) “Government” means the U.S. Government; in (c)(1) and (e) “contracting officer” means the Government’s Contracting Officer)
- 52.227-16 Additional Data Requirements**
- 52.229-3 Federal, State, and Local Taxes**
- 52.230-2 Cost Accounting Standards** (applicable if Order exceeds \$500,000 and Supplier not exempt from CAS under 48 CFR 9903.201-1; omit (b))
- 52.230-3 Disclosure and Consistency of Cost Accounting Practices**(applicable if Order exceeds \$500,000 and Supplier not exempt from CAS under 48 CFR 9903.201-1; omit (b))
- 52.230-6 Administration of Cost Accounting Standards**(applicable if Order exceeds \$500,000 and Supplier not exempt from CAS under 48 CFR 9903.201-1; CFAO means GKN’s Purchasing Representative)
- 52.232-17 Interest**
- 52.233-3 Protest after Award** (in (f) omit the phrase “and pursuant to the requirements of Subpart 32.6”)
- 52.234-1 Industrial Resources Developed under Defense Production Act Title III**
- 52.242-13 Bankruptcy**
- 52.242-15 Stop Work Order**
- 52.242-17 Government Delay of Work**
- 52.244-6 Subcontracts for Commercial Items**
- 52.245-1 Government Property**
- 52.246-2 Inspection of Supplies—Fixed Price**
- 52.246-16 Responsibility for Supplies**
- 52.246-17 Warranty of Supplies of a Noncomplex Nature**
- 52.246-18 Warranty of Supplies of a Complex Nature**
- 52.247-63 Preference for U.S. Flag Air Carriers**
- 52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels** (in (c)(1) “subcontractor” means Supplier)
- 52.248-1 Value Engineering** (applicable if Order exceeds \$100,000; in (c)(5) and (m) “Government” means the U.S. Government)
- DFAR TITLE**
- 252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies** (applicable if Order exceeds simplified acquisition threshold and GKN is prime contractor to the Government)
- 252.204-7000 Disclosure of Information** (change “45 days” to “60 days”)
- 252.211-7000 Acquisition Streamlining** (applicable if Order exceeds \$1 million)
- 252.211-7003 Item Identification and Valuation**
- 252.219-7003 Small Business Subcontracting Plan (DOD Contracts)**
- 252.219-7004 Small Business Subcontracting Plan (Test Program)**
- 252.223-7001 Hazard Warning Labels**
- 252.225-7000 Buy American Act Balance of Payments Program—Certificate** (in (b) “Government” means the U.S. Government; “end products” shall include the items delivered hereunder; Supplier shall submit certification to GKN as reasonably requested)
- 252.225-7001 Buy American Act and Balance of Payments Program** (“domestic end products” to include items ordered hereunder, whether or not end products themselves; Supplier shall submit certification to GKN as reasonably requested)
- 252.225-7012 Preference for Certain Domestic Commodities**
- 252.225-7013 Duty Free Entry**
- 252.225-7014 Preference for Domestic Specialty Metals** (Alternate I)
- 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings**
- 252.225-7020 Trade Agreements Certificate** (Supplier shall submit certification to GKN as reasonably requested)
- 252.225-7021 Trade Agreements** (“end products” shall include the items ordered hereunder)
- 252.225-7030 Restriction on Acquisition of Carbon, Alloy, and Armor Steel Plate**
- 252.225-7035 Buy American Act – Free Trade Agreements – Balance of Payments Program Certificate** (Alternate I applies if in prime contract; Supplier shall submit certification to GKN as reasonably requested)
- 252.225-7036 Buy American Act – Free Trade Agreements – Balance of Payments Program** (Alternate I applies if in prime contract)
- 252.226.7001 Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns** (applicable if Order exceeds \$500,000)
- 252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles**

**252.243-7001 Pricing of Contract Modifications**

**252.244-7000 Subcontracts for Commercial Items and Commercial Components (DOD Contracts)**

**252.246-7003 Notification of Potential Safety Issues**

**252.247-7023 Transportation of Supplies by Sea** (applicable if Order exceeds simplified acquisition threshold)

**252.247-7024 Notification of Transportation of Supplies by Sea**

**252.249-7002 Notification of Anticipated Contract Termination or Reduction** (applicable if Order exceeds \$100,000; omit (d)(1) and the first five words of (d)(2))