

APPENDIX 'L'

Part I. Consistency in Cost Accounting Practices (AUG 1992)

(FAR 52.230-4, Revised to reflect changed parties.)

The Seller agrees that it will consistently follow the cost accounting practices disclosed on Form CASB DS-1 in estimating, accumulating and reporting costs under this Purchase Order. In the event the Seller fails to follow such practices, it agrees that the Purchase Order price shall be adjusted, together with interest, if such failure results in increased cost paid by the U.S. Government and/or the Buyer. Interest shall be computed at the annual rate of interest determined by the Secretary of the Treasury pursuant to Pub. L. 92-41 (85 Stat. 97) from the time payment by the Buyer was made to the time adjustment is effected. The Seller agrees that the Disclosure Statement filed with the U.K. Ministry of Defense shall be available for inspection and use by authorized representatives of the United States Government.

Part II. Communications Procedures and Indemnity

Seller shall provide Buyer with copies of all communications, if any, between Seller and the cognizant Contracting Officer respecting Part I of this Appendix 'L'; provided, Seller shall not be required to disclose to Buyer such communications containing information which is privileged and confidential to the Seller. Seller agrees to indemnify and hold Buyer harmless to the full extent of any loss, damage, or expense if Buyer is subjected to any liability as the result of a failure of the Seller or its subcontractors to comply with the requirements of Part I of this Appendix 'L'.