

APPENDIX B

COST SCHEDULE FOR GRID SWITCHGEAR

Description of Plant	-----	
Period of production (from commencement of machining to despatch from works) from	----- to -----	
		<i>Total (pounds)</i>
Materials (paragraphs 2-7 and 34)	-----	
Sub-contracted work (paragraph 35)	-----	
Direct labour (paragraph 8-9)	-----	
Works overhead expenses (paragraphs 10-17)	-----	
Works cost	-----	
Administration and selling expenses (paragraph 18-21)	-----	
Erection and installation on site (paragraphs 22 and 23)	-----	
Material	-----	
Labour	-----	
Site overhead expenses	-----	
Design and drawing office expenses (paragraph 24)	-----	
Tools and patterns (paragraphs 25 and 26)	-----	
Research and development (paragraphs 27 and 28)	-----	
Packing and delivery (paragraphs 29 and 30)	-----	
Post construction maintenance expenses (paragraph 31)	-----	
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ANNEX 2

GRID SWITCHGEAR

Terms of Reference to the independent accountant Cooper Brothers & Co. in connection with Clause 5 of the Agreement

It being the wish of both parties to the Agreement that their joint and several financial interests thereunder shall be subject to the examination and judgement of a single independent accountant: Cooper Brothers & Co. are hereby authorised and instructed as follows:

(1) To prescribe the form of a return to be compiled and certified by each manufacturer in respect of each calendar year showing particulars relating to all grid switchgear invoiced by him during the year for C.E.G.B. contracts and distinguishing between business for 132kV, 275kV and 400kV.

(2) To be available at all reasonable times to advise accountants concerned in producing the returns and also the Central Electricity Generating Board.

(3) To receive the certified returns and to scrutinise and appraise them with the financial interests of all parties to the Agreement in mind and to pursue any enquiries necessary to ensure that the costs shown therein have been arrived at in accordance with the costing principles detailed in Annex I to this Agreement and with any modifications, interpretations and techniques developed to give effect to these principles.

(4) Having completed his examination of the returns and having made any necessary adjustments arising from his scrutiny and appraisal, to summate the returns in accordance with Clause 5(ii) of the Agreement and advise the Central Electricity Generating Board and the Grid Switchgear Manufacturers of the percentage profit margins ascertained in accordance with Clause 5(ii) of the Agreement.

As witness the hands of Joseph Latham on behalf of Associated Electrical Industries Limited Gerald Noel Cabell on behalf of The English Electric Company Limited Kenneth Gladstone Smith on behalf of The General Electric Company Limited James Bennett on behalf of Reyrolle and Company Limited and