

104.0 Price Adjustment Formulae:

In accordance with the Conditions of Contract, Clause 70, the Price Adjustment Formulae shall be applied as follows:

$$\text{Formula 1: } P = P_o \left[\left(K + a \frac{L}{L_o} + b \frac{F}{F_o} \right) - 1 \right]$$

This shall be applied only to Bill No. 2, 8...

$$\text{Formula 2: } P = P_o \left[\left(K + a \frac{L}{L_o} + b \frac{F}{F_o} + c \frac{C}{C_o} + d \frac{S}{S_o} + e \frac{G}{G_o} \right) - 1 \right]$$

This shall be applied only to Bill Nos. 3, 4, 6, 7, 9, 10, 11

$$\text{Formula 3: } P = P_o \left[\left(K + a \frac{L}{L_o} + b \frac{F}{F_o} + e \frac{G}{G_o} + f \frac{A}{A_o} \right) - 1 \right]$$

This shall be applied only to Bill No. 5.....

The fixed coefficients to be used in the above formulae are the following:

Coefficient	K	a	b	c	d	e	f
Formula 1	0.65	0.20	0.15	-	-	-	-
Formula 2	0.41	0.23	0.04	0.10	0.12	0.10	-
Formula 3	0.43	0.10	0.10	-	-	0.25	0.12

The Price Adjustment Formulae shall not be applied to Dayworks.
However, the index ratio $\frac{L}{L_0}$, as defined in the Conditions of

Contract, Clause 70, shall be applied directly to the basic rates of the following Provisional Items in the Dayworks Bill:

$\frac{L}{L_0}$ shall be applied to items ..12.1..... through ..12.3.....

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