

Table 2-2: Amounts to be Borne Under the Entrusted Construction Contract

## 1. Calculation Formula

The amount to be borne by the contracting carrier under the Entrusted Construction Contract shall be calculated by the following formula.

Amount to be borne under the Entrusted Construction Contract = Design charge + Entrusted work charge + Material expense + Other related expenses

- (1) The design charge shall be the actual expenses calculated by the following formula. In this case the work unit charge specified in 2.1.2.4 (Work Unit Charges Applied to 2.1.2.3), 2.1.2 (Amount of Expenses for Works), 2.1 (Expenses for Works), Table 2 (Expenses for Works and Procedures) shall be applied.

Design charge = Work unit charge × Work hours

- (2) The entrusted work charge shall be calculated by the following formula.

Entrusted work charge = Consigned work expense + General administrative cost relating to consigned work + Cost for testing, supervision, etc.

- a. The consigned work expense shall be an amount equivalent to the expenses that will be paid by NTT to the consignee in case NTT consigns part of the work under the Entrusted Construction Contract.
- b. The general administrative cost relating to consigned work shall be calculated by the following formula:

General administrative cost relating to consigned work = Consigned work expense × General administrative cost ratio

- c. The cost for testing, supervision, etc., shall be the actual expense calculated by the following formula. In this case the work unit charge specified in 2.1.2.4 (Work Unit Charges Applied to 2.1.2.3), 2.1.2 (Amount of Expenses for Works), 2.1 (Expenses for Works), Table 2 (Expenses for Works and Procedures) shall be applied.

Cost for testing, supervision, etc. = Work unit charge × Work hours

- (3) The material expense shall be calculated by the following formula.

Material expense = Material cost + General administrative cost relating to material expense

- a. The material cost constitutes the expense for materials provided by NTT from among those required under the Entrusted Construction Contract.
- b. The general administrative cost relating to material expense shall be calculated by the following formula.

General administrative cost relating to material expense = Material cost × General administrative cost ratio

- (4) Other related expenses shall be an amount equivalent to the worker's accident compensation insurance premium paid by NTT in relation to the Entrusted Construction Contract pursuant to the Workers' Accident Compensation Insurance Law (Law No. 50 of 1947) and other expenses required for work under the Entrusted Construction Contract.

- (5) The ratio used for the calculations in (1) through (4) shall be as follows.

Classification	Ratio
General administrative cost ratio	<u>0.126</u>
	<u>0.109</u>