

UNIFORM NETWORK CODE MODIFICATION 360
Removal of Credit Rating Restrictions from Definition of Parent Company
LEGAL TEXT

TPD Section V

Amend paragraph 3.1.3 (b) to read as follows:

3.1.3(b) Subject to paragraph 3.1.3 (c), where a Qualifying Company or Parent Company with an Approved Credit Rating provides surety in respect of a User in the form of a Guarantee (the “**Surety Provider**”), then the Approved Credit Rating of such Surety Provider may be used in place of the User’s to calculate such User’s Unsecured Credit Limit in accordance with the table set out in paragraph 3.1.3 (a).

Amend paragraph 3.1.7 to read as follows:

3.1.7 Where a User or Parent Company does not have an Approved Credit Rating, then Upon request from a such User, the User may select any one of the specified agencies for the Transporter to use to allocate an unsecured Credit Limit to the User based upon the Independent Assessment Score of the User or Parent Company as follows:

- (a) where such User or Parent Company is unable to obtain an Approved Credit Rating (up to a maximum of 20% of the relevant Transporter’s Maximum Unsecured Credit Limit); or
- (b) where such User or Parent Company has an Approved Credit Rating less than that in 3.1.3(a) (up to a maximum of $13\frac{1}{3}$ % of the relevant Transporter’s Maximum Unsecured Credit Limit).

A score of between 0 and 10 will be allocated to the User or Parent Company in accordance with the following table to calculate the User’s Unsecured Credit Limit:

[table]

The Transporter will set the User’s Unsecured Credit Limit no higher than the lower of the credit value recommended within the Independent Assessment and the value calculated by applying the Independent Assessment Score to the Transporter’s Maximum Unsecured Credit Limit

Amend paragraph 3.4.5 to read as follows:

3.4.5 For the purposes of Code:

“Parent Company” shall mean:

- (i) in the case of a company registered in England and Wales a public or private company within the meaning of Section 4 ~~1(3)~~ of the Companies Act ~~2006~~ ~~1985~~ ~~with a long term debt rating of at least BB – provided by Standard and Poor’s Corporation or equivalent rating by Moody’s Investors Services (where such ratings conflict, the lower of the ratings will be used)~~ that is either a shareholder of the User or any holding company of such shareholder (the expression holding company having the meaning assigned thereto by Section ~~1159~~ ~~736~~, Companies Act ~~2006~~ ~~1985~~ as supplemented by Schedule 6 Companies Act 2006 and Section 144(3) Companies Act 1989); or
- (ii) in the case of an entity registered outside England and Wales, such equivalent entity to (i) above that is acceptable to the Transporter, acting reasonably;