

Standard Special Condition A38. Credit Rating of the Licensee

1. The licensee shall use all reasonable endeavours to ensure that the licensee maintain at all times an investment grade issuer credit rating.
2. In this condition:

“issuer credit rating” means:

- (a) an issuer rating by Standard & Poor’s Ratings Group or any of its subsidiaries; or
- (b) an issuer rating by Moody’s Investors Service, Inc. or any of its subsidiaries; or
- (c) an issuer senior unsecured debt rating by Fitch Ratings Ltd or any of its subsidiaries; or
- (d) an equivalent rating from any other reputable credit rating agency which, in the opinion of the Authority, notified in writing to the licensee, has comparable standing in the United Kingdom and the United States of America.

In relation to any issuer credit rating, “investment grade” means:

- (a) unless sub-paragraph (b) below applies:
 - (i) an issuer rating of not less than BBB- by Standard & Poor’s Ratings Group or any of its subsidiaries; or
 - (ii) an issuer rating of not less than Baa3 by Moody’s Investors Service Inc. or any of its subsidiaries; or
 - (iii) an issuer senior unsecured debt rating of not less than BBB- by Fitch Ratings Ltd or any of its subsidiaries; or
 - (iv) an equivalent rating from any other reputable credit rating agency which, in the opinion of the Authority, notified in writing to the licensee, has comparable standing both in the United Kingdom and the United States of America.

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(b) such higher rating as may be specified by those agencies from time to time as the lowest investment grade credit rating.

3. Where the holder of this licence also holds, in the same legal entity, one or more other gas transporter licences for relevant gas transporters, references in this condition to “licensee” shall mean this legal entity.