

**APPROVAL LEGAL TEXT CHANGES FOR IGT164 (as of 2<sup>nd</sup> February 2023)**

Further information on *IGT164 - Alignment with DCP349 and Provision of Unsecured Credit* can be found on the [IGT164 webpage](#).

**DRAFTING KEY**

**Black:** Approved IGT132VV<sup>1</sup> Legal Text changes

**Red:** Approved amendments to approved IGT132VV Legal Text

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<sup>1</sup> [IGT132VV - Introduction of IGT Code Credit Rules](#)

AMENDMENTS TO IGT UNC PART G, CLAUSE 21

21.2.12 Where the Pipeline User’s Payment Record Factor is to be used to determine the Credit Allowance Factor in accordance with Clause 21.2.5(b), the Credit Allowance Factor shall equal the value of the Payment Record Factor determined in accordance with Clauses 21.2.13 to 21.2.15.

21.2.13 The Payment Record Factor shall equal the number of months since the Good Payment Performance start date (as specified in Clause 21.2.14) multiplied by 0.033% (that is to say, by 0.4% per annum)-, subject to the following provisos and caps:

- (a) during the first 36 months from the first relevant account, the Payment Record Factor shall be capped at a maximum value of 1.2% (i.e. the maximum which could be earned in that period);
- (b) during months 37 to 48 (inclusive) following such first relevant account, the Payment Record Factor shall be capped at a maximum value of 0.7%;
- (c) during months 49 to 60 (inclusive) following such first relevant account, the Payment Record Factor shall be capped at a maximum value of 0.4%;
- (d) from and including the 61st month following such first relevant account, the Payment Record Factor shall always be zero; and
- (e) on each occasion that the User fails to pay the Charges on or before the date by which such payment is required to be made under this agreement (but for which the delay in payment is not so great as to create a new Good Performance Start Date under Clause 21.2.14), the Payment Record Factor that would otherwise apply shall be reduced as follows:

<u>Age of debt (days)</u>	<u>Value of debt as a percentage of previous month’s charges*</u>	<u>Effect on Good Payment Performance</u>
<u>1 to 3</u>	<u>&lt;25%</u>	<u>Loss of 25% of previously accrued Good Payment Performance</u>
	<u>≥25% and &lt;75%</u>	<u>Loss of 50% of previously accrued Good Payment Performance</u>
	<u>≥75%</u>	<u>Loss of 100% of previously accrued Good Payment Performance</u>

~~up to a maximum value of 0.8% after 24 consecutive months of good payment history~~

21.2.13A The Pipeline Operator shall give the Pipeline User notice of any adverse change in the calculation of the Payment Record Factor pursuant to Clause 21.2.14.

21.2.14 The Good Payment Performance start date shall for Pipeline Users, where the Pipeline User fails, or has failed, on any occasion to pay any relevant account relating to undisputed charges in full on the applicable Payment Date, (and does not remedy that failure within 3 Working Days such that Clause 21.2.13(e) applies) be the date on which

a relevant account is submitted in a month subsequent to the month in which such payment failure is remedied (unless having regard to all the circumstances, including in particular the value, duration, and frequency of failure, the Pipeline Operator reasonably determines an earlier date). ~~In respect of the impact on the Pipeline User's good payment history, the Pipeline Operator shall apply the following matrix:~~

Age of debt (days)	Value of debt as a percentage of previous month's charges*	Effect on Good Payment Performance
1 to 3	<25%	Loss of 25% of previously accrued Good Payment Performance
	>25% and <75%	Loss of 50% of previously accrued Good Payment Performance
	>75%	Loss of 100% of previously accrued Good Payment Performance
>4	Any	Loss of 100% of previously accrued Good Payment Performance

~~\*Total Transportation charges billed in the previous month~~

21.2.15 Where any unpaid disputed invoice is found to have been disputed without merit, a failure to have paid the relevant account in accordance with the terms of this agreement shall be treated as a failed payment and the provisions of Clause 21.2.14 shall apply accordingly.