



## Credit Support requirements

APA will determine the credit support that it requires depending on the nature of the prospective customer's agreement with APA. The factors which APA will consider in determining credit support include:

- The nature of services sought (e.g. transmission services, building new facilities, extensions);
- The relevant shipper's creditworthiness (including credit rating and previous credit history with APA);
- Amount of APA capital outlay required to deliver the services; and
- Risks to APA in providing the services.

For our Standard Gas Transportation Agreement (SGTA), where the counterparty does not have an investment grade credit rating from either Standard & Poor's or Moody's Investor Services, APA will normally require either a bank guarantee for six months' worth of charges or a parent guarantee from a company which has an investment grade credit rating.

APA's SGTA (available on the APA's website) sets out our standard credit support provisions relating to:

- APA's requirements;
- Obligations of the shipper to notify APA of any change in credit rating;
- Increasing, replacing and/or returning credit support; and
- Circumstances where APA may draw on credit support or suspend services.

APA's credit support requirements will differ for other types of agreements.