

GENERAL TERMS AND CONDITIONS  
(Continued)

7. PROCEDURES FOR OBTAINING SERVICE (Continued)

7.4 Creditworthiness of Shipper or Persons Requesting Service:  
(Continued)

- (1) an irrevocable letter of credit to Transporter, satisfactory to Transporter;
- (2) a prepayment or deposit in advance for the service under review;
- (3) a grant to Transporter of a security interest in collateral found to be satisfactory to Transporter;
- (4) a guarantee acceptable to Transporter, by another person or entity which satisfies credit appraisal; or
- (5) such other credit arrangement which is mutually agreed to by Transporter and Shipper and which is acceptable to Transporter on a not unduly discriminatory basis. Upon Shipper's establishment of an acceptable credit record pursuant to Sections 7.4(a)(3) or 7.4(b) or upon expiration of the Service Agreement, Transporter shall return any unused portion of Shipper's letter of credit, deposit, security interest, or guarantee as applicable. If Transporter returns a deposit to Shipper, Transporter shall pay interest to Shipper at the established one-year Treasury Constant Maturity rate, as calculated by the U.S. Treasury and published in the Federal Reserve's Statistical Release H.15. The one-year rate that is effective on the first business day of each year shall be used to calculate interest for that calendar year.
- (6) Such letter of credit, deposit, security interest or guarantee shall be equal to three Months of the highest estimated reservation and commodity charges, including estimated surcharges, during the term of the Service Agreement.