Amend Clause 17 of the Main Body as follows:

17 Ceasing to Be A Party

17.1 A Party that holds an Energy Licence that requires that Party to be a party to this Code:

(a) cannot be expelled from this Code by the REC Board unless the Authority has approved such expulsion; and

(b) cannot voluntarily cease to be a Party while that Energy Licence remains in force.

17.2 The processes applying to Parties which are expelled from this Code or which wish to voluntarily withdraw from this Code are set out in the Market Exit and Supplier of Last Resort Schedule.

17.3 In addition, a Party may be expelled from this Code if all of the conditions in this Clause 17.3 are met. This Clause 17.3 shall apply even to a Party which holds an Energy Licence that requires that Party to be a party this Code. The process in the Market Exit and Supplier of Last Resort Schedule does not apply to expulsion under this Clause 17.3. A Party may be expelled from this Code if all of the following conditions are met:

(a) the Party has not Qualified for one or more roles under this Code;

(b) it has been 12 months (or longer) since the Party acceded to this Code;

(c) it has been 6 months (or longer) since the Party last confirmed to the Code Manager that the Party intends to become Qualified; and

(d) the Code Manager gives notice to the Party under this Clause 17.3.

17.~~4~~3 Where ~~the REC Board resolves to expel~~ a Party is expelled from this Code, then that Party may at any subsequent time apply to the Authority to be reinstated as a Party. The Parties and the REC Board shall give effect to any decision of the Authority pursuant to such application, which shall be final and binding for the purposes of this Code. A Party which has been expelled from this Code may also re-apply to become a Party in accordance with Clause 3 (Becoming a Party).

17.~~5~~4 Where a Party is expelled or withdraws from this Code in accordance with this Clause 17~~the Market Exit and Supplier of Last Resort Schedule~~, then with effect from the time on the date at which such expulsion or withdrawal is effective (and subject to Clause 17.~~4~~3):

(a) that Party's accession to this Code shall be terminated, and it shall cease to be a

Party; and

(b) subject to Clause 17.65, that Party shall cease to have any rights or obligations under this Code.

17.65 The termination of a Party's accession to this Code shall be without prejudice to:

(a) those rights and obligations under this Code that may have accrued prior to such termination; or

(b) those provisions of this Code that are expressly or by implication intended to survive such termination.

Amend Paragraphs 1 and 2 of the Market Exit and Supplier of Last Resort Schedule (schedule 19) as follows:

1 Introduction

1.1. This REC Schedule sets out the process with which a Party or Non-Party REC Service User must comply to enable an orderly exit from this Code.

1.2. This includes:

(a) expulsion from this Code following an Event of Default;

(b) considerations for Parties and Non-Party REC Service Users seeking to exit the Code voluntarily; and

(c) management of Supplier of Last Resort (SoLR) Process to facilitate the transfer of Registrations from the failed Energy Supplier to the Replacement Supplier.

1.3. This REC Schedule must be read in conjunction with Clauses 16 and 17 of the main body of this Code which describe the instances where Parties may be expelled from the Code.

1.4 However, this REC Schedule does not apply to the expulsion of a Party under Clause 17.3 of the main body of this Code, which applies if the Party has not progressed its Qualification within the time periods referred to in Clause 17.3.

2 Expulsion of Parties

2.1 As set out in Clause 17 of the main body of this Code, a Party that holds an Energy Licence that requires it to be a party to this Code cannot be expelled from this Code

unless the Authority has approved such expulsion (save as described in Clause 17.3 of the main body of this Code).

2.2 Where a Party holds an Energy Licence that requires it to be a party to this Code, the REC Board shall co-ordinate any proposed expulsion from this Code with any concurrent process under the other Energy Codes and/or any enforcement action by the Authority.

2.3 Subject to Paragraphs 2.1 and 2.2, the REC Board may expel a Party from this Code by written notice to that Party where that Party is subject to an ongoing Event of Default.

2.4 Where notice of expulsion is served on a Party pursuant to Paragraph 2.3, the Code Manager shall promptly confirm the expulsion (and the effective date of expulsion) to:

(a) all the Parties;

(b) the code managers of any other Energy Codes to which the expelled Party is or was party;

(c) the CDSP, where the Party being expelled is a Gas Supplier, Gas Transporter or gas Metering Equipment Manager;

(d) the BSCCo, where the Party being expelled is an Electricity Supplier, Distribution Network Operator or electricity Metering Equipment Manager;

(e) the Switching Operator;

(f) the REC Service Providers (if any) for which the expelled Party was formerly a REC Service User; and

(g) the Authority.

END