<table>
<tr><th colspan="4">MODIFICATION PROPOSAL FORM</th></tr>
<tr><td>Proposer
(Company)</td><td>Date of receipt
(assigned by System Operator)</td><td>Type of Proposal
(delete as appropriate)</td><td>Modification Proposal ID
(assigned by System Operator)</td></tr>
<tr><td>EirGrid / SONI</td><td>8th September 2026</td><td>Standard</td><td>CMC_07_26</td></tr>
</table>

<table>
<tr><th colspan="3">Contact Details for Modification Proposal Originator</th></tr>
<tr><td>Name</td><td>Telephone number</td><td>Email address</td></tr>
<tr><td>System Operators</td><td></td><td>Capacitymarket@sem-o.com</td></tr>
<tr><td colspan="3">Modification Proposal Title</td></tr>
<tr><td colspan="3">Deed of Charge Definitions</td></tr>
<tr><td>Documents affected
(delete as appropriate)</td><td>Section(s) Affected</td><td>Version number of CMC used in Drafting</td></tr>
<tr><td>Capacity Market Code (‘CMC’)</td><td>Glossary
Appendix I</td><td>V.15</td></tr>
<tr><td colspan="3">Explanation of Proposed Change
(mandatory by originator)</td></tr>
</table>

Appendix I to the CMC provides the template for the ‘Deed of Charge’ (‘DOC’), a document required under CMC Section J.3.2 where Performance Security is provided by a Participant.

Throughout the DOC template there are a number of capitalised terms, some of which are CMC Glossary defined terms but others which are specific to the DOC template. However, under Section 1 of the DOC template ‘Definitions and Interpretation’ there is presently no ‘Definitions’ section meaning there are capitalised terms throughout the DOC template without a definition. This creates potential ambiguity as to the meaning and effect of DOC terms. As such, the SOs propose to introduce a ‘Definitions’ section under Section 1 of the DOC template. The SOs understand that the existing DOC template under the CMC was based on the DOC template under the Trading & Settlement Code (‘T&SC’- see T&SC Agreed Procedure 1 Appendix 4). As such, the SOs have used the T&SC DOC template definitions section as the basis for the new CMC Definitions section, while tailoring the proposed definitions to ensure they are appropriate for the CMC.

To clarify, the SOs are not proposing to amend any of the existing terms within the DOC template or the CMC. This proposal is merely to provide definitions for existing terms. The definitions as proposed are in line with the SOs’ existing understanding of these terms. The proposal seeks to provide transparency and clarity for Participants by providing definitions for existing terms under the DOC.

Failure to provide appropriate definitions as proposed will result in continued ambiguity and lack of clarity as to the meaning of existing terms under the DOC. This could result in unnecessary differences of interpretation and potential adverse consequences regarding the efficient operation of the CRM if CMC requirements are not applied as originally intended.

The SOs are also taking this opportunity to correct two typographical errors identified, detailed further below under ‘Legal Drafting Change’.

Legal Drafting Change

(Clearly show proposed code change using ***tracked*** *changes, if proposer fails to identify changes, please indicate best estimate of potential changes)*

GLOSSARY

Deed of Charge and Account Security	means the deed of charge and account security to be entered in between a Participant and the System Operators in relation to Reser Account(s) in accordance with the terms and conditions of this Code the form set out in Appendix I~~J~~ "Template for Deed of Charge a Account Security".

LIST OF APPENDICES

Appendix A: "List of Agreed Procedures"

Appendix B: "Template For Dispute Resolution Agreement"

Appendix C: "Capacity Auction Timetable"

Appendix D: "Qualification Data"

Appendix E: "Qualification Capacity Register Data"

Appendix F: "Capacity and Trade Register Data"

Appendix G: "Data Publication"

Appendix H: "Template for Standard Letter of Credit"

Appendix I~~J~~: "Template for Deed of Charge and Account Security"

APPENDIX I:

TEMPLATE FOR DEED OF CHARGE AND ACCOUNT SECURITY

RECITALS

(A) The System Operators and the Participant are parties to the Capacity Market Code (the "**Code**").

(B) Pursuant to the Code, the Participant is obliged to put in place a Performance Security ~~(within the meaning of the Code)~~, and as permitted by the Code, has elected to meet such obligation by:

- opening one or more Reserve Accounts ~~(within the meaning of the Code~~, being the Account[s] referred to in this Deed;
- from time to time depositing the required amount of cash in such Account[s]; and
- entering into this Deed to create in favour of the System Operators a first fixed charge over its equitable and beneficial interest arising in the credit balances held in the Account[s] and all funds held to the credit thereof from time to time.

1 **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

Capitalised terms or expressions defined in the Code shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Deed.

In addition, in this Deed:

"**Account[s]**" means the collateral bank account[s] specified in Schedule 1 (as [that account][any such account] may from time to time be re-designated or renumbered or replaced), including any successor or replacement account of [that account][any such account];

"**Account Bank[s]**" means the bank[s] with which the Account[s] [is] [are] held being, as at the date of this Deed, as specified in Schedule 1, which shall include reference to any successor [of any] thereof;

"**Default Interest**" has the meaning given to this term under the Code;

"**Event of Default**" has the meaning given to this term in Clause **Error! Reference source not found.** of this Deed;

"**Irish Act**" means the Land and Conveyancing Law Reform Act 2009 of Ireland;

"**Law of Property Act**" means the Law of Property Act 1925;

"**parties**" means the parties to this Deed and "party" means either of them;

"**Performance Security**" has the meaning given to this term under the Code;

"**Regulatory Authorities**" has the meaning given to this term under the Code;

"**Reserve Account**" has the meaning given to this term under the Code;

"**Rights**" means all present and future right, equitable title and beneficial interest of the Participant in respect of the Account[s], including (without limitation):

(i) the benefit of all covenants, undertakings, representations, warranties and indemnities;

(ii) all powers and remedies of enforcement and/or protection;

(iii) all rights to receive payment of all amounts assured or payable (or to become payable), all rights to serve notices and/or to make demands and all rights to take such steps as are required to cause payment to become due and payable; and

(iv) all causes and rights of action in respect of any breach and all rights to receive damages or obtain other relief in respect thereof;

"**Schedule[s]**" means any one or more of the Schedules to this Deed;

"**Secured Obligations**" means all or any monies, liabilities and payment obligations, whether actual or contingent and whether owed jointly or severally or as principal debtor, guarantor, surety or otherwise, which are now or may at any time hereafter (whether before or at any time after demand) be or become due in any manner by the Participant to the Market Operator under the Code including interest which the Market Operator may in the course of its business charge or incur in respect of any of those matters in accordance with the Code as well as after as before any demand made or decree or judgement obtained under this Deed or the Security, and all or any monies, liabilities and payment obligations due under the Code or under this Deed;

"**Security**" means all or any of the Security Interests now or at any time hereafter created by or pursuant to this Deed;

"**Security Assets**" means the Account[s] and the debt[s] thereby represented and all sums, whether principal or interest, accrued or accruing, which are now or may at any time hereafter be deposited in or otherwise standing to the credit of the Account[s], together with all the Rights in connection therewith;

"**Security Interest**" means any mortgage, charge, pledge, lien, retention of title arrangement (other than in respect of goods purchased in the ordinary course of business), hypothecation, encumbrance or security interest of any kind, or any agreement or arrangement having substantially the same economic or financial effect as any of the foregoing (including any "*hold back*" or "*flawed asset*" arrangement);

"**this Deed**" means these presents (including the Schedules) as amended, amended and restated, varied, supplemented, novated, extended or restated from time to time;

"**Working Day**" has the meaning given to this term under the Code.

Modification Proposal Justification *(Clearly state the reason for the Modification)*
The proposal seeks to provide transparency and clarity for Participants by providing definitions for existing terms under the DOC. Failure to provide appropriate definitions as proposed will result in continued ambiguity and lack of clarity as to the meaning of existing terms under the DOC. This could result in unnecessary differences of interpretation and potential adverse consequences regarding the efficient operation of the CRM if CMC requirements are not applied as originally intended.
Code Objectives Furthered *(State the Code Objectives the Proposal furthers, see Sub-Section A.1.2 of the CMC Code Objectives)*
(a) to facilitate the efficient discharge by EirGrid and SONI of the obligations imposed by their respective Transmission System Operator Licences in relation to the Capacity Market; (b) to facilitate the efficient, economic and coordinated operation, administration and development of the Capacity Market and the provision of adequate future capacity in a financially secure manner; (e) to provide transparency in the operation of the SEM; (g) through the development of the Capacity Market, to promote the short-term and long-term interests of consumers of electricity with respect to price, quality, reliability, and security of supply of electricity across the Island of Ireland.
Implication of not implementing the Modification Proposal *(State the possible outcomes should the Modification Proposal not be implemented)*
Failure to provide appropriate definitions as proposed will result in continued ambiguity and lack of clarity as to the meaning of existing terms under the DOC, resulting in potential unnecessary differences of interpretation and adverse consequences regarding the efficient operation of the CRM (if CMC requirements are not applied as originally intended).
Impacts *(Indicate the impacts on systems, resources, processes and/or procedures)*
There are no system or process impacts resulting from the modification.
Please return this form to the System Operators by email to CapacityModifications@sem-o.com

Notes on completing Modification Proposal Form:

1. **If a person submits a Modification Proposal on behalf of another person, that person who proposes the material of the change should be identified on the Modification Proposal Form as the Modification Proposal Originator.**
2. **Any person raising a Modification Proposal shall ensure that their proposal is clear and substantiated with the appropriate detail including the way in which it furthers the Code Objectives to enable it to be fully considered by the Regulatory Authorities.**
3. **Each Modification Proposal will include a draft text of the proposed Modification to the Code unless, if raising a Provisional Modification Proposal whereby legal drafting text is not imperative.**
4. **For the purposes of this Modification Proposal Form, the following terms shall have the following meanings:**

CMC / Code:	**means the Capacity Market Code for the Single Electricity Market**
Modification Proposal:	**means the proposal to modify the Code as set out in the attached form**
Derivative Work:	**means any text or work which incorporates or contains all or part of the Modification Proposal or any adaptation, abridgement, expansion or other modification of the Modification Proposal**

The terms "System Operators" and "Regulatory Authorities" shall have the meanings assigned to those terms in the Code.

In consideration for the right to submit, and have the Modification Proposal assessed in accordance with the terms of Section B.12 of the Code, which I have read and understand, I agree as follows:

1. **I hereby grant a worldwide, perpetual, royalty-free, non-exclusive licence:**

   1.1 **to the System Operators and the Regulatory Authorities to publish and/or distribute the Modification Proposal for free and unrestricted access;**

   1.2 **to the Regulatory Authorities to amend, adapt, combine, abridge, expand or otherwise modify the Modification Proposal at their sole discretion for the purpose of developing the Modification Proposal in accordance with the Code;**

   1.3 **to the System Operators and the Regulatory Authorities to incorporate the Modification Proposal into the Code;**

   1.4 **to all Parties to the Code and the Regulatory Authorities to use, reproduce and distribute the Modification Proposal, whether as part of the Code or otherwise, for any purpose arising out of or in connection with the Code.**

2. **The licences set out in clause 1 shall equally apply to any Derivative Works.**

3. **I hereby waive in favour of the Parties to the Code and the Regulatory Authorities any and all moral rights I may have arising out of or in connection with the Modification Proposal or any Derivative Works.**

4. **I hereby warrant that, except where expressly indicated otherwise, I am the owner of the copyright and any other intellectual property and proprietary rights in the Modification Proposal and, where not the owner, I have the requisite permissions to grant the rights set out in this form.**

5. **I hereby acknowledge that the Modification Proposal may be rejected by the Regulatory Authorities and that there is no guarantee that my Modification Proposal will be incorporated into the Code.**