

## DRAFT PRIORITY 2A – BI

This draft priority agreement is only for use in the following circumstances:

1. There are either:
  - a land charge in favour of Barclays and a land charge in favour of the Lender both covering only the Property in question; or
  - a land charge and a debenture in favour of Barclays (select the option ‘and a debenture (but only to the extent it relates to the Property) dated [INSERT DATE]’) and a land charge in favour of the Lender.

If the charge to Barclays (rather than the debenture in favour of Barclays) or the charge to the other Lender also covers other assets, the appropriate alternative draft priority deed should be used.

2. The land charge and debenture in favour of Barclays are to have limited first priority and the other Lender limited second priority.
3. The priority deed when executed by both Barclays and the Lender should be registered at the Land Registry and if the borrower is an English or Welsh company, with Companies House.

THIS DEED OF PRIORITY is made on

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BETWEEN Barclays (as defined below), the Lender (as defined below) and the Borrower (as defined below) in which the Lender and Barclays have agreed that the priority of the Barclays' Charge (as defined below) and the Lender's Charge (as defined below) shall be regulated as follows:

#### DEFINITIONS

“Barclays”	Barclays Bank PLC of 1 Churchill Place London E14 5HP but whose address for service is Lending Operations P O Box 299 Birmingham B1 3PF
“Barclays' Charge”	A legal charge dated [INSERT DATE] [OPTION: <i>insert if Barclays has debenture as well as a land charge</i> and a debenture (but only to the extent it relates to the Property) dated [INSERT DATE] in which the Borrower charged the Property as security for the payment to Barclays of the moneys and liabilities as set out in that document.
“Barclays' Debt”	The aggregate amount of the principal and interest charges and other money and liabilities from time to time due owing or outstanding by the Borrower to Barclays and secured by the Barclays' Charge.
“Barclays Group”	Barclays PLC and any of its subsidiary undertakings as defined in the Companies Act 2006.
“Barclays' Priority Amount”	Such amount of the Barclays' Debt as does not exceed £[INSERT AMOUNT] pounds plus interest commission costs and other expenses.
“Borrower”	[INSERT COMPANY NAME][INSERT COMPANY NUMBER (if applicable)][INSERT REGISTERED OFFICE and/or ADDRESS FOR SERVICE]
“Charges”	Together the Barclays' Charge and the Lender's Charge
“Lender”	[INSERT COMPANY NAME][INSERT COMPANY NUMBER (if applicable)][INSERT REGISTERED OFFICE and/or ADDRESS FOR SERVICE]
“Lender's Charge”	A legal charge dated [INSERT DATE] in which the Borrower charged the Property as security for the payment to the Lender of the money and liabilities as set out therein
“Lender's Debt”	The aggregate amount of the principal and interest charges and other money and liabilities from time to time due owing or outstanding by the Borrower to the Lender and secured by the Lender's Charge.
“Lender's Group”	The Lender and any of its subsidiary undertakings as

defined in the Companies Act 2006.

“Lender’s Priority Amount”

Such amount of the Lender’s Debt as does not exceed £[INSERT AMOUNT] pounds plus interest commission costs and other expenses.

“Property”

[INSERT PROPERTY DESCRIPTION] (Title No) [INSERT TITLE NUMBER]

In this Deed:

- (a) references to statutory provisions are to the provisions of English statutes and include references to amended, extended or re-enacted versions; and
  - (b) references to Barclays, the Lender and Borrower shall include references to their respective successors and permitted assigns.
1. The Lender and Barclays agree and declare that, notwithstanding the date of each of the Charges and the respective dates that the Charges were registered at H M Land Registry, the Barclays’ Charge and the Lender’s Charge and the money and liabilities secured by them shall rank in the following order of priority:
    - 1.a. first the Barclays’ Charge to the extent of the Barclays’ Priority Amount;
    - 1.b. second the Lender’s Charge to the extent of the Lender’s Priority Amount;
    - 1.c. third in or towards settlement of the remainder of the Barclays’ Debt; and
    - 1.d. fourth in or towards settlement of the remainder of the Lender’s Debt.
  2. The priority arrangements in this Deed shall not be affected by any fluctuations in the amounts secured by the Barclays’ Charge or the Lender’s Charge by the existence at any time of a nil or credit balance on any current or other account.
  3. Barclays and the Lender consent to the creation and registration of the Lender’s Charge and the Barclays’ Charge respectively insofar as such consent is required.
  4. Barclays and the Lender apply to each of the registrar of companies and H M Land Registry or any other appropriate registry to note on the relevant register in the appropriate manner the postponement set out in this Deed.
  5. If the Lender has registered a restriction or notice at H M Land Registry the Lender irrevocably consents to the registration of the Barclays’ Charge and any sale of the Property by Barclays pursuant to the Barclays’ Charge and the registration of the purchaser’s title free of the Lender’s Charge and any restriction or notice the Lender may have registered at H M Land Registry.
  6. Each of the parties to this Deed confirms that it has had the opportunity to take independent legal advice before executing this Deed.
  7. The Borrower agrees that it will pay the costs of each of the other parties in relation to the drafting, preparation, negotiation and execution of this Deed on an indemnity basis.
  8. The Lender acknowledges the right of Barclays to the production and delivery of copies of the Lender’s Charge.
  9. Barclays acknowledges the right of the Lender to the production and delivery of copies of the Barclays’ Charge.
  10. The Borrower agrees that that Barclays and the Lender may share any information, obtained at any time, from whatever source relating to the Borrower, its subsidiaries, any underlying facilities and any guarantees and securities to:

- (a) the Borrower or any of its subsidiaries;
  - (b) the Barclays Group and any of its or their officers, directors, employees, professional advisers, auditors and any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian;
  - (c) the Lender's Group and any of its or their officers, directors, employees, professional advisers, auditors and any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian;
  - (d) any credit reference or rating agency;
  - (e) anyone Barclays considers to be or likely to be involved in an assignment or transfer or possible assignment or transfer of all or any of its rights and/or obligations in respect of the Deed, in whole or in part, including any person or persons (i) in connection with a securitisation of all or any part of the loan assets of any member of the Barclays Group from time to time or (ii) who may otherwise enter into contractual relations with any member of the Barclays Group in connection with the Deed;
  - (f) anyone the Lender considers to be or likely to be involved in an assignment or transfer or possible assignment or transfer of all or any of its rights and/or obligations in respect of the Deed, in whole or in part, including any person or persons (i) in connection with a securitisation of all or any part of the loan assets of any member of the Lender's Group from time to time or (ii) who may otherwise enter into contractual relations with any member of the Lender's Group in connection with the Deed;
  - (g) anyone to whom information is required or requested to be disclosed by any court of competent jurisdiction or governmental, banking, taxation or other regulatory authority or similar body; and
  - (h) anyone to whom information is required or requested to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes.
11. The Borrower or the Lender may not assign or transfer all or any of its rights and/or obligations in respect of this Deed. Barclays may assign or transfer all or any of its rights and/or obligations in respect of this Deed, in whole or in part, to any person or persons including any actual or prospective assignee or transferee or to any other person (i) in connection with a securitisation of all or any part of the loan assets of any member of the Barclays Group from time to time or (ii) who may otherwise enter into contractual relations with any member of the Barclays Group in relation to the Deed.
12. The Borrower joins in this Deed for the purpose of acknowledging the arrangements effected by this Deed and undertakes with each of Barclays and the Lender to observe the provisions of this Deed at all times and not in any way to prejudice or affect the enforcement of those provisions.
13. This Deed forms the entire agreement between the parties relating to the priority of their respective securities and the application of the proceeds of realisation of the securities and supersedes all earlier discussions, correspondence, emails, facsimile transmissions, letters and communications, and arrangements of any kind dealing with the priorities of the securities.
14. A person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefits of this Deed.
15. This Deed shall be governed by and construed and interpreted in accordance with the laws of England and the parties submit for the benefit of Barclays to the non-exclusive jurisdiction of the courts of England.
16. This Deed may be executed in any number of counterparts each of which shall be an original but such counterparts shall together constitute one and the same Deed.

IN WITNESS, the parties have executed and delivered this Deed on the date shown at the beginning of this Deed



**BARCLAYS**  
EXECUTED AS A DEED  
by  
NAME

SIGNATURE \_\_\_\_\_

\_\_\_\_\_  
AS ATTORNEY OF BARCLAYS BANK  
PLC

in the presence of  
WITNESS NAME \_\_\_\_\_  
SIGNATURE \_\_\_\_\_

**LENDER**

[OPTION: *if Lender is a corporate*

EXECUTED AS A DEED by

[INSERT LENDER NAME]

acting by

\_\_\_\_\_ Director

\_\_\_\_\_ Print Name

[ \_\_\_\_\_ Director/Secretary

\_\_\_\_\_ Print Name ]

[in the presence of  
SIGNATURE OF WITNESS \_\_\_\_\_

NAME OF WITNESS \_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_

OCCUPATION \_\_\_\_\_ ]]

[OPTION: *if Lender is an LLP*

EXECUTED AS A DEED by  
[INSERT LENDER NAME]  
acting by

\_\_\_\_\_ Member  
\_\_\_\_\_ Print Name

[ \_\_\_\_\_ Member  
\_\_\_\_\_ Print Name ]

[in the presence of  
SIGNATURE OF WITNESS \_\_\_\_\_

NAME OF WITNESS \_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_

OCCUPATION \_\_\_\_\_ ]]

[OPTION: if Lender is an LLP or corporate entity where the above signature blocks are not relevant

EXECUTED AS A DEED by  
[INSERT LENDER NAME]  
acting by

\_\_\_\_\_ Authorised Signatory  
\_\_\_\_\_ Print Name

[ \_\_\_\_\_ Authorised Signatory  
\_\_\_\_\_ Print Name ]

[in the presence of  
SIGNATURE OF WITNESS \_\_\_\_\_

NAME OF WITNESS \_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_

OCCUPATION \_\_\_\_\_ ]]

[If the Lender is a different legal entity type e.g. partnership which is not an LLP refer to the Barclays legal team for guidance]

**BORROWER**

[OPTION: if Borrower is a corporate

EXECUTED AS A DEED by

[INSERT BORROWER NAME]

acting by

\_\_\_\_\_ Director

\_\_\_\_\_ Print Name

[ \_\_\_\_\_ Director/Secretary

\_\_\_\_\_ Print Name]

[in the presence of  
SIGNATURE OF WITNESS \_\_\_\_\_

NAME OF WITNESS \_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_  
OCCUPATION \_\_\_\_\_ ]]

[OPTION: if Borrower is an LLP

EXECUTED AS A DEED by

[INSERT BORROWER NAME]

acting by

\_\_\_\_\_ Member

\_\_\_\_\_ Print Name

[ \_\_\_\_\_ Member

\_\_\_\_\_ Print Name]

[in the presence of  
SIGNATURE OF WITNESS \_\_\_\_\_

NAME OF WITNESS \_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_  
OCCUPATION \_\_\_\_\_ ]]

[OPTION: if Borrower is an LLP or corporate entity where the above signature blocks are not relevant



EXECUTED AS A DEED by  
[INSERT BORROWER NAME]  
acting by

\_\_\_\_\_ Authorised Signatory

\_\_\_\_\_ Print Name

[ \_\_\_\_\_ Authorised Signatory

\_\_\_\_\_ Print Name]

[in the presence of  
SIGNATURE OF WITNESS \_\_\_\_\_

NAME OF WITNESS \_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_  
OCCUPATION \_\_\_\_\_ ]]

[OPTION: *for non-corporate or LLP Borrower*

EXECUTED AS A DEED by  
[INSERT BORROWER NAME]  
acting by

\_\_\_\_\_ Signatory

in the presence of  
SIGNATURE OF WITNESS \_\_\_\_\_

NAME OF WITNESS \_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_  
OCCUPATION \_\_\_\_\_ ]