

THIS IS AN IMPORTANT DOCUMENT. YOU SHOULD TAKE LEGAL ADVICE BEFORE SIGNING.

Owner: **Registered No:**

Bank: National Westminster Bank Plc

Lender:

Charged Property:

Bank's Address:

1. Security

[NB – AMEND THE DEFINITIONS OF SECURITY AS APPROPRIATE]

- 1.1 The **Bank's Security** is a fixed charge on the Charged Property and associated assets dated ___ [and a Debenture (to the extent only that it creates a security on the same property) dated ___ both]granted by the Owner (and includes any substituted or further security taken in the future).
- 1.2 The **Lender's Security** is a [fixed charge on the Charged Property and associated assets dated ___] [and a Debenture (to the extent only that it creates a security on the same property) dated ___ both] granted by the Owner (and includes any substituted or further security taken in the future).

2. Priority Agreement

- 2.1 The **Bank's Priority** is £___ (or any other Priority amount as agreed in writing between the Bank and the Lender) and, in addition, interest on that amount and expenses as secured by the Bank's Security.
- 2.2 The Bank's Security will rank first in priority as a continuing security up to the Bank's Priority.
- 2.3 The Lender's Security will rank second in priority as a continuing security without limit.
- 2.4 [If either the Bank or the Lender holds an effective fixed charge and the other a floating charge over the same asset or class of assets then the fixed charge will rank in priority to the floating charge without limit.]
- 2.5 The Bank and the Lender will hold on trust:
- 2.5.1 any net receipts from the enforcement of their Security or from an administrator or liquidator of the Owner in respect of their Security; and
- 2.5.2 any monies which they receive as payment of:
- 2.5.2.1 a moratorium debt;
- 2.5.2.2 a priority pre-moratorium debt; or
- 2.5.2.3 a pre-moratorium debt for which the Owner did not have a payment holiday and which was due by the Owner by reason of the operation of, or the exercise of rights under, an acceleration or early termination clause and/ or as a result of demand for payment being made on the Owner by the Bank or Lender,
- to give effect to the priorities under this deed.
- 2.6 The priorities above will not be affected by:

2.6.1 any fluctuations in the amounts secured by the Security, or any advances being made after the date of this deed.

2.6.2 the existence at any time of a credit balance on any account.

3. Transfer

3.1 The Bank or the Lender will ensure when transferring their Security that the transferee enters into a deed with the other party on the same terms as this deed.

3.2 References to the **Bank** and the **Lender** include their respective successors.

4 Registration

4.1 The Owner agrees to the registration of this deed at the Land Registry.

4.2 The Bank and the Lender each consent to the registration of the other's Security at the Land Registry.

5. Enforcement

5.1 Unless urgent independent action is considered necessary by either party to protect their security interests, the Bank and the Lender will:

5.1.1 give notice to the other of their intention to enforce their Security before any enforcement takes place.

5.1.2 consult with each other over the appointment of a suitable receiver.

5.1.3 give notice of their intention to exercise any rights under an acceleration or early termination clause or their intention to make demand for payment whilst the Owner is subject to a moratorium before such rights are exercised.

5.2 If independent action is considered urgent without notice or consultation, then written notice must be given immediately to the other party.

6. Waiver of Confidentiality

The Owner agrees that the Bank and the Lender can disclose to each other any confidential information concerning the Owner's business affairs and accounts.

7. Notices

7.1 All notices must be in writing.

7.2 Any notice by the Bank may be sent by post, fax or delivered to the Lender's registered office or to the contact details last known to the Bank.

7.3 Any notice by the Lender may be sent by post or delivered to the Bank's Address.

7.4 A notice signed by an official of the Bank or the Lender will be effective at the time of personal delivery; on the second business day after posting; or, if by fax, at the time of sending, if sent before 6.00 p.m. on a business day or otherwise on the next business day. A **business day** is a weekday other than a national holiday.

8. Pre-enforcement Receipts

Only net receipts from the enforcement of the Bank's Security will reduce or count towards the Bank's Priority.

A receipt is from the “enforcement” of a Security if the Bank or the Lender has exercised a power in the Security to realise any of its security. Repayments or receipts in return for the release of any of the property charged or other rights, or the proceeds of set-off, are not receipts from “enforcement” and will not reduce or count towards the Bank’s Priority.

9. Companies House Registration

If either the Bank’s or the Lender’s Security is required to be registered at Companies House but is not registered (either within the required time or later by Court order) this deed will not have effect and the party whose Security is unregistered will not be entitled to any priority over the other.

10. Governing Law

10.1 This deed is governed by English law and the English courts have exclusive jurisdiction.

10.2 The Bank, the Lender and the Owner irrevocably submit to the jurisdiction of the English courts and irrevocably agree that a judgment or ruling in any proceedings in connection with this deed in those courts will be conclusive and binding on all parties and may be enforced against any party in the courts of any other jurisdiction.

Date

D	D	M	M	Y	Y
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**The final
signatory must
date the
document**

Executed and Delivered as a deed by
the Lender)

Director/Member

Secretary/Director/Member

Executed and Delivered as a deed by
the Owner)

Director/Member

Secretary/Director/Member

**Priority Deed
Co/LLP – Bank Limited
Charged Property (03/21)**

[Single Signature option
A witness is required if only one Director/Member signs

Signed by the Director/Member in the presence of:

Witness' name _____
Witness' signature _____
Address _____
Occupation _____]

Signed and Delivered as a deed)
for and on behalf of the Bank) _____
by a duly authorised Attorney)
in the presence of:-

Witness' Signature - Bank Employee

Bank ref:

SAMPLE