

DRAFT PRIORITY 3B LIMITED/UNLIMITED – BI

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

1. Where the other Lender had a specific charge over a property for which it is to have priority (limited or unlimited). Barclays has a debenture.
2. If both Barclays and the other Lender have debentures and one party is to have priority for a property but the other party is to have priority for other assets, SST will need to be instructed to draft the deed.



THIS DEED OF PRIORITY is made on

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BETWEEN

- (A) **BARCLAYS BANK PLC** whose registered office is at 1 Churchill Place London E14 5HP and whose address for service is Lending Operations, P O Box 299, Birmingham, B1 3PF (the “**Barclays**”);
- (B) [] ([INSERT COMPANY NUMBER (if applicable)]) whose registered office is at [] and whose address for service is [INSERT UK ADDRESS FOR SERVICE] (the “**Lender**”); and
- (C) [] ([INSERT COMPANY NUMBER (if applicable)]) whose registered office is at [] and whose address for service is [INSERT UK ADDRESS FOR SERVICE] (the “**Borrower**”)

WHEREAS

- 1) By legal charge dated [INSERT DATE] (the “**Lender’s Charge**”) the Borrower charged the property described in the schedule below (the “**Property**”) as security for the payment to the Lender of the moneys and liabilities referred to in the Lender’s Charge.
- 2) By a debenture dated [INSERT DATE] together with all additional and substituted security as replaced or amended from time to time (the “**Barclays’ Debenture**”) the Borrower charged all its undertaking and assets present and future including the Property as security for the payment to Barclays Bank PLC of all moneys and liabilities referred to in the Barclays’ Debenture.
- 3) Barclays and the Lender have agreed to regulate their respective priorities as follows and the Borrower has joined in these presents as set out below.

NOW THIS DEED WITNESSES as follows:-

1. In this Deed:
 - (a) “**Barclays Group**” means Barclays PLC and any of its subsidiary undertakings as defined in the Companies Act 2006;
 - (b) “**Lender’s Group**” means the Lender and any of its subsidiary undertakings as defined in the Companies Act 2006;
 - (c) references to statutory provisions are to the provisions of English statutes and include references to amended, extended or re-enacted versions; and
 - (d) references to Barclays, the Lender and the Borrower shall include references to their respective successors and permitted assigns.
2. Barclays agrees and declares that the charges created by the Barclays’ Debenture shall insofar as it affects the Property but not further or otherwise be postponed to and rank after and take effect in all respects subject to the Lender’s Charge [OPTION: *if Lender’s Charge is to have unlimited priority without limit*][OPTION: *if Lender’s Charge is to have limited priority* PROVIDED THAT the amount

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recoverable by the Lender under the Lender's Charge in priority to the charges over the Property contained in the Barclays' Debenture shall not exceed the principal sum of £[INSERT AMOUNT] plus interest commission costs and other expenses.]

3. Subject to the priority set out in Clause 2 above the Lender agrees and declares that the charge created by the Lender's Charge shall be postponed to and rank after and take effect in all respects subject to the Barclays' Debenture without limit.
4. The priority arrangements in this Deed shall not be affected by any fluctuations in the amounts secured by the Barclays' Debenture or the Lender's Charge or by the existence at any time of a nil or credit balance on any current or other account.
5. Nothing in this Deed shall as between (a) the Borrower and the Lender or (b) the Borrower and Barclays affect or prejudice any of the rights or remedies of the Lender under the Lender's Charge or Barclays under the Barclays' Debenture each of which will remain in full force as continuing securities for all money and liabilities without limit.
6. Barclays and the Lender consent to the creation and registration of the Barclays' Debenture and the Lender's Charge respectively insofar as such consent is required.
7. If the Lender has registered a restriction or notice at H M Land Registry the Lender irrevocably consents to the registration of the Barclays' Debenture and any sale of the Property by Barclays pursuant to the Barclays' Debenture 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.
8. Barclays and the Lender hereby apply to each of the registrar of companies and H M Land Registry or any other appropriate registry to note on the register in the appropriate manner the postponement set out in this Deed.
9. Each of the parties hereto confirms that it has had the opportunity to take independent legal advice before executing this Deed.
10. 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.
11. The Lender acknowledges the right of Barclays to the production and delivery of copies of the Lender's Charge.
12. Barclays acknowledges the right of the Lender to the production and delivery of copies of the Barclays' Debenture.
13. The Borrower agrees 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

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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.
14. 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.
15. 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.
16. 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.
17. 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.
18. 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.
19. 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

SCHEDULE
(the "Property")

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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 _____]