

THIS IS AN IMPORTANT DOCUMENT. YOU SHOULD TAKE INDEPENDENT LEGAL ADVICE BEFORE SIGNING AND SIGN ONLY IF YOU WANT TO BE LEGALLY BOUND. IN THE CASE OF REGISTERED LAND THIS WILL BE A PUBLIC DOCUMENT

DEED OF POSTPONEMENT

Date:

Definitions

Debtor:

Bank: National Westminster Bank Plc

Mortgagee:

Charged Property:

Bank's Charge: A security on the Charged Property dated [] granted by the Debtor to the Bank

Mortgagee's Charge: A security on the Charged Property dated [] granted by the Debtor to the Mortgagee

Priority Sum:

Priority Debt: The Priority Sum (or such other sum as may be agreed in writing between the Bank and the Mortgagee by specific reference to this deed in substitution for that amount) together with interest charges and expenses relating to that sum

Debtor's Obligations: All the Debtor's liabilities to the Bank of any kind (whether present or future actual or contingent and whether incurred alone or jointly with another) including banking charges commission and interest

Introduction

1. A mortgage dated [] to [] having been discharged, the Mortgagee has advanced the Priority Sum to the Debtor on the security of the Mortgagee's Charge and the Bank has agreed that the Bank's Charge will be postponed to the Mortgagee's Charge to the extent of the Priority Debt

Priority Agreement

- 2.1 **The** Bank and the Mortgagee with the consent of the Debtor agree that the Mortgagee's Charge shall rank in priority to the Bank's Charge for the payment to the Mortgagee of the Priority Debt subject to which the Bank's Charge shall rank in priority to the Mortgagee's Charge as a continuing security for the payment to the Bank of the Debtor's Obligations and in addition Interest (both before and from the date of any demand until payment) and Expenses in each case as defined in the Bank's Charge and the priority of the Bank's Charge shall not be affected by any fluctuations in the amount of the Debtor's Obligations from time to time or by the existence at any time of a credit balance on any current or other account
- 2.2 **The** Bank and the Mortgagee will hold in trust any money received pursuant to the Bank's Charge or the Mortgagee's Charge respectively to give effect to the priorities declared by this deed

Assignments

- 3 **The** Bank and the Mortgagee undertake not to assign or transfer the Bank's Charge or the Mortgagee's Charge to any other person without first procuring that such person enters into a deed with the Mortgagee or the Bank respectively upon the same terms as this deed

Governing Law

- 4 **This** deed shall be governed by and construed in accordance with English law

Interpretation

5 **The** expressions "Bank" and "Mortgagee" where the context admits include their respective successors in title and assigns

Registered Land

6 **The** parties acknowledge that in the case of Registered Land this deed will require registration and will be a public document

In Witness of which this deed has been duly executed

Executed and Delivered as a deed by the Mortgagee)
) Director
)
)
) Director/Secretary

Where only one Director signs, a witness is required

Signed by the Director in the presence of:

Witness' signature _____
Witness' name in full _____
Address _____
Occupation _____

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

Witness' Signature - Mortgagee Employee

Executed and Delivered as a deed by the Debtor)
) Director
)
)
) Director/Secretary

Where only one Director signs, a witness is required

Signed by the Director in the presence of:

Witness' signature _____
Witness' name in full _____
Address _____
Occupation _____

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

Witness' Signature - Mortgagee Employee

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

SAMPLE