

Mortgage Account Number: _____

For the purposes of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 this Ranking Agreement is delivered on _____ 2023

Ranking Agreement (Scotland)

THIS IS AN IMPORTANT LEGAL DOCUMENT. WE RECOMMEND THAT YOU TAKE INDEPENDENT LEGAL ADVICE BEFORE SIGNING.

In this ranking agreement the words listed below have the meanings set opposite them:

Bluestone	means Bluestone Mortgages Limited, a company incorporated under the Companies Acts in England and Wales with company number 02305213 and having its registered office at 3rd Floor, 22 Chancery Lane, London, WC2A 1LS. The term Bluestone includes any person to whom Bluestone transfers its rights in accordance with the conditions .
Second Lender	means [●] trading as [●], a company incorporated under the Companies Acts in [●] with company number [●] and having its registered office at [●]. The term second lender shall include any person to whom the second lender transfers its rights.
Borrower	means [●] of [●] This includes the borrower's personal representatives and anyone who takes over the legal rights and duties of the borrower or to whom title to the property passes. If there is more than one borrower , the term "borrower" means any or all of them and all obligations of the borrower shall be treated as having been given by those person as jointly and severally.
Property	means the property known as [●] registered in the Land Register of Scotland title number [●].
Bluestone's security	means the standard security granted by the borrower in favour of Bluestone over the property dated [●] on or around the date of the borrower's execution of this ranking agreement and registered in the Land Register of Scotland under title number [●].
Second lender's security	means the standard security granted by the borrower in favour of the second lender over the property date [●] on or around the date of the borrower's execution of this ranking agreement and registered in the Land Register of Scotland under title number [●].
Conditions	means the [Bluestone Mortgages General Mortgage Conditions 2023 (Scotland), made by the lender dated [●] and any variation of them.

All terms and phrases shown in bold type have the meaning given to them in the conditions unless they are explained differently in this deed.

1. The **second lender** consents to the **borrower** granting **Bluestone's security**.

2. The **second lender** acknowledges and agrees that **Bluestone** at any time may, but is not obliged to, grant further loans (to be secured by **Bluestone's security**) to the **borrower**, or transact and deal with any other securities or guarantees of any kind held or that may be held by **Bluestone** for any obligations of the **borrower** and may sell, dispose of, or realise such other securities or guarantees in such order as **Bluestone** may determine, without obtaining any consent from the **second lender**.
3. **Bluestone**, the **second lender** and the **borrower** agree that **Bluestone's security** and all sums secured or to be secured by **Bluestone's security** shall be ranked and preferred on the **property** and on its rents and on the proceeds of the **property** (of any part of it) in the event of a sale of the **property** (or any part of it) in priority to the **second lender's security** and all sums secured or to be secured by the **second lender's security**, to an unlimited extent. This ranking is agreed regardless of the date of creation of **Bluestone's security** and the **second lender's security**, or any of the restrictions contained within them.
4. The **second lender** undertakes to **Bluestone** that it shall not enforce the **second lender's security** nor exercise or purport to exercise its power of sale or any other **security** enforcement power conferred on the **second lender** under or pursuant to the **second lender's security** without giving **Bluestone** not less than fourteen days' prior notice (except in the case of urgency in which case the **second lender** undertakes to inform **Bluestone** as soon as possible).
5. Anything in the **second lender's security** conflicting with or prejudicing the rights of **Bluestone** under **Bluestone's security**, or this ranking agreement, shall be of no effect against **Bluestone** or (until all money and other obligations and liabilities secured by **Bluestone's security** have been paid or discharged in full) against the **borrower**.
6. The **second lender** shall hold on trust for **Bluestone** any money received pursuant to the **second lender's security** in order to give effect to the priorities declared by this ranking agreement.
7. The priorities declared by this ranking agreement shall not be prejudiced or affected by:
 - a) any fluctuation from time to time of the sums secured by **Bluestone's security** or the **second lender's security** due to intermediate payments or satisfaction, in whole or in part, of such sums, or by any further lending made by **Bluestone** to the **borrower** on the security of **Bluestone's security**;
 - b) any arrangement between the **Bluestone** and/or the **borrower** and/or any other person;
 - c) any sale or transfer, in whole or part, of this ranking agreement or of any rights arising under the **Bluestone's security** or the **second lender's security**;
 - d) The sequestration or other insolvency of the **borrower** or the **second lender**;
 - e) any variation, waiver or release or discharge of any **security** for the benefit of **Bluestone** or the **second lender**;
 - f) any failure by the **Bluestone** to perfect, maintain or enforce **Bluestone's security**;
 - g) any failure by the **second lender** to perfect, maintain or enforce the **second lender's security**;
 - h) any time for payment or other indulgence being granted or being agreed to be granted by **Bluestone** or the **second lender** to the **borrower** or any other person, including any guarantor;
8. Except as provided under this ranking agreement and applicable law, this ranking agreement

shall not affect or prejudice any of the rights of the parties to **Bluestone's security** or the **second lender's security** respectively, which shall remain in full force subject to the provisions of this ranking agreement.

9. If any provision of this ranking agreement is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed without effect to the remainder of the provisions. If any fundamental provision of this ranking agreement is held to any extent to be invalid, **Bluestone** and the **second lender** (and, if applicable, the **borrower**), shall immediately commence good faith negotiations to remedy such invalidity. No party shall unreasonably withhold or delay their agreement to any such matters.
10. **Bluestone's security** and the **second lender's security** are varied to the extent specified in this ranking agreement and this ranking agreement shall be construed and receive effect as a variation within the meaning of section 16 of the Conveyancing and Feudal Reform (Scotland) Act 1970.
11. This ranking agreement may be executed in any number of counterparts and by each of the parties on separate counterparts. Where executed in counterpart:
 - a) this ranking agreement will not take effect until each of the counterparts has been delivered;
 - b) each counterpart will be held as undelivered until the parties agree a date on which the counterparts are to be treated as delivered;
 - c) the date of delivery may be inserted in the testing clause in the blank provided for the effective date of this ranking document
12. This ranking agreement is governed by and shall be construed in accordance with Scots law and the parties to this ranking agreement irrevocably submit to the exclusive jurisdiction of the courts of Scotland.

IN WITNESS WHEREOF this ranking agreement consisting of this and the [four] preceding pages is executed [in counterpart and is delivered and takes effect on the date stated at the beginning of it as follows:

Subscribed for and on behalf of **Bluestone**)
Mortgages Limited)
)
by)
(Print full name)) Authorised signatory

at

on

Name of witness:

Signature of witness:

Address:

Subscribed for and on behalf of)
)
)
by)
(Print full name)) Authorised signatory

at

on

Name of witness:

Signature of witness:

Address:

Subscribed by)
)
(Print full name)) Authorised signatory

at

on

Name of witness:

Signature of witness:

Address:

Subscribed by)
)

(Print full name)

Authorised signatory

at

on

Name of witness:

Signature of witness:

Address:

Get in touch if you need this document in Braille, large print or audio tape.

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BM41 effective as of 04/2024