SUBORDINATION AND CESSION OF PRIORITY

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This Subordination and Cession of Priority (the “Agreement”) is effective from [DATE],

**BETWEEN: [YOUR COMPANY NAME]** (the "Lessor"), a company organised and existing under the laws of the [STATE/PROVINCE] of [COUNTRY], with its head office located at:

 [YOUR COMPLETE ADDRESS]

**AND: [COMPANY NAME]** (the "Lessee"), a company organised and existing under the laws of the [STATE/PROVINCE] of [COUNTRY], with its head office located at:

 [COMPLETE ADDRESS]

**REFERENCE:**

Leases (the “Leases”) of the Lessor and [COMPANY NAME] and related accessories (the “Equipment”) by the Lessor to [COMPANY NAME] (“Lessee”) and sub-lease by the Lessee to its group members (the “Sub-Leases”)

The undersigned acknowledges, declares and agrees that any rights it might have, as a secured creditor pursuant to any security which might have been granted in its favour by the Lessee and/or its predecessor entities (including without limitation [COMPANY NAME], [COMPANY NAME], and [COMPANY NAME]) or otherwise (the “Security”) in (a) the Equipment, whether leased by the Lessor to the Lessee pursuant to the Leases or sub-leased by the Lessee pursuant to the Sub-Leases, (b) the Leases, (c) the Sub-Leases, and (d) the rentals owing to the Lessee pursuant to the Sub-Leases (the “Rentals”) and assigned by the Lessee to the Lessor are and shall be junior and subordinate to the rights of the Lessor therein, and the realisation thereof, whether in whole or in part, and whether at or prior to maturity or upon acceleration of any maturity, is postponed to the prior rights of the Lessor therein until payment in full of all amounts owing to [SPECIFY] pursuant to the Leases and the Sub-Leases.

The undersigned also cedes any priority which the undersigned may have under the Security in favour of the Lessor, and consents to the publication by the Lessor of the present subordination and cession of rank in its favour. The undersigned further consents to the assignment by the Lessee to the Lessor of the Sub-Leases and the Rentals.

IN WITNESS WHEREOF, each party to this agreement has vindicated its legality at [PLACE OF EXECUTION] on the date indicated above.

# LESSOR LESSEE

Authorised Signature Authorised Signature

Print Name and Title Print Name and Title