

Practice Note 01-09

Land Title and Survey Authority of BC Land Title Division

December 11, 2009

Priority Agreements – Form C Applications

This practice note is being issued in an effort to reduce defects and to simplify the process of applying for a Priority Agreement on a Land Title Act Form C; specifically, what is required in item 3. Although the current instruction in the Land Title Forms Guidebook (commonly known as the Green Book) involves restating some of the granting language in item 3 of the Form C, this requires a duplication of text resulting in a greater potential for error in addition to added complexity.

Item 3 of the Form C is intended to identify the type of charge applied for in addition to providing the applicable document reference identifying that part of the Terms of Instrument – Part 2 containing the grant of priority. The Terms of Instrument – Part 2 is where the Priority Agreement must be described, including sufficient descriptions of the “prior charge” and “subsequent charge” in accordance with section 207 of the Land Title Act. Since the document reference provides a direct link to the portion of the Terms of Instrument – Part 2 containing the grant of the priority agreement, the granting language, or portions thereof, need not be repeated in item 3.

Limiting the description of the Priority Agreement to the Terms of Instrument – Part 2 ensures that there will always be sufficient space to adequately describe the Priority Agreement. The lack of duplication of this wording also simplifies the application process in item 3 of the Form C. In addition, it also removes the potential for defect notices associated with errors when replicating this information.

A handwritten signature in black ink, appearing to read "Craig D. Johnston". The signature is stylized with loops and a dot above the letter "i".

Craig D. Johnston
Director of Land Titles