

Subordinate or un subordinate a financing statement

The principle behind both subordinations and unsubordinations is that the party with priority must access the financing statement maintenance service and defer to the inferior financing statement. Subordinations are visible when searching in the form of a link between both financing statements.

Subordinations have their own term. They can last for the duration of the subordinating financing statement or a lesser period as mutually agreed. The expiry date must be the same as (or pre-date) the earlier of the two financing statement expiry dates.

Renewing financing statements does not automatically renew subordinations recorded on them. You need to remember to extend notice of the subordination by processing another subordination at the time you renew your financing statement.

Step by step instructions

Subordinate one financing statement to another

1. Log on using your User ID and password.
2. From the PPSR Registration menu choose Financing Statements – Maintain Registered Financing Statement – Subordinate.
3. Enter the Financing Statement Registration Number and PIN to locate the financing statement you want to subordinate.
4. If prompted, enter the Secured Party Group ID and password then click the Continue button. Check that you have selected the correct financing statement by reviewing the details on screen.
5. From the subordinate financing statement screen choose Subordinate.
6. Now enter the Financing Statement Registration Number that is to become superior and an expiry date for the subordination then click the Continue button.
7. Review and confirm the subordination details then click the Register Subordination button.

A verification change statement will be generated. Your verification statement options are:

- Show verification statement online – to see a copy of the verification statement on screen. You can also print a copy of this screen.
- Send verification statement via email – to receive an emailed copy of the verification statement that you can print or even forward to other interested parties, e.g. the debtor.
- Retain these settings for this session – to save these settings and not see this window again (for this session only).

Notes

There is no fee for subordinating or unsubordinating a financing statement – it is FREE.

Your User ID is a nine-digit number and your password is seven alpha-numeric characters and is case sensitive.

You should only be prompted for the SPG ID and password if you register financing statements for more than one Secured Party Group and the SPG ID and password chosen by default does not match the financing statement you wish to update.

 [Subordinate a registered financing statement now \(You will need to log on first\).](#)