



Registration of a Charge

Company name: **ROYAL COLLECTION ENTERPRISES LIMITED**

Company number: **02778486**



XA0UGCKR

Received for Electronic Filing: **23/03/2021**

Details of Charge

Date of creation: **18/03/2021**

Charge code: **0277 8486 0001**

Persons entitled: **THE ROYAL COLLECTION TRUST**

Brief description:

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **CHARLOTTE FREEMAN, SOLICITOR, FARRER & CO LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2778486

Charge code: 0277 8486 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th March 2021 and created by ROYAL COLLECTION ENTERPRISES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd March 2021 .

Given at Companies House, Cardiff on 23rd March 2021

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

EXECUTION VERSION

DATED

18 March

2021

ROYAL COLLECTION ENTERPRISES (1)
LIMITED

THE ROYAL COLLECTION TRUST (2)

SECURITY AGREEMENT

FARRER&Co

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THIS DEED is dated 18 March 2021

BETWEEN

- (1) **ROYAL COLLECTION ENTERPRISES LIMITED** a company registered in England and Wales with registered number 02778486 and having its registered office at York House, St. James's Palace, London SW1A 1BQ (the **Chargor**); and
- (2) **THE ROYAL COLLECTION TRUST** a charitable company limited by guarantee with registered company number 02713536 and registered charity number 1016972 having its registered office at York House, St. James's Palace, London SW1A 1BQ (the **Lender**).

WHEREAS

- (A) The Lender has agreed to make credit facilities available on the terms of the Loan Agreement.
- (B) The Chargor has agreed to provide security to the Lender to secure the payment and discharge of the Secured Liabilities on the terms set out in this Deed.

IT IS AGREED as follows:

1. Interpretation

1.1 Definitions

In this Deed:

Act means the Law of Property Act 1925.

Loan Agreement means

- (a) the up to £7,000,000 on demand loan agreement dated on or about the date of this Deed between the Chargor and the Lender; or
- (b) such other agreement as the Chargor and the Lender may from time to time designate as being the Loan Agreement for the purposes of this Deed.

Party means a party to this Deed.

Receiver means an administrative receiver, receiver and manager or a receiver, in each case, appointed under this Deed.

Secured Liabilities means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Chargor to the Lender on any account whatsoever.

Security Assets means all assets of the Chargor which are, or are intended to be, the subject of any Security by virtue of this Deed.

Security Interest means a mortgage, charge, pledge, lien, assignment by way of security, retention of title provision, trust or flawed asset arrangement (for the purpose of or which has the effect of granting security) or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdictions having a similar effect.

Security Period means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

1.2 Construction

- 1.2.1 Capitalised terms defined in the Loan Agreement have, unless expressly defined in this Deed, the same meaning in this Deed.
- 1.2.2 The provisions of clause 1.2 (*Interpretation*) of the Loan Agreement apply to this Deed as though they were set out in full in this Deed, except that references to the Loan Agreement will be construed as references to this Deed.
- 1.2.3 Unless a contrary indication appears, any reference in this Deed to:
- (a) this **Deed** is a reference to this Deed as amended, varied, novated, supplemented and replaced from time to time;
 - (b) **this Security** means any Security created by this Deed;
 - (c) the **Chargor**, the **Lender** or a **Receiver** includes any one or more of its assigns, transferees and successors in title (in the case of the Chargor, so far as any are permitted); and
 - (d) the **Lender** or a **Receiver** includes its duly appointed nominees, attorneys, correspondents, trustees, advisers, agents, delegates and sub-delegates.
- 1.2.4 The terms of the Loan Agreement and of any side letters between any Parties in relation to the Loan Agreement are incorporated in this Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.2.5 If the Lender considers that an amount paid to it under this Agreement or the Loan Agreement is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.2.6 Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset.

1.3 Third Party Rights

- 1.3.1 Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.
- 1.3.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

1.4 Effect as a Deed

It is intended that this document takes effect as a deed notwithstanding the fact that a Party to it may only execute it under hand.

2. Creation of Security

2.1 General

2.1.1 All the security created under this Deed:

- (a) is created in favour of the Lender;
- (b) is created over present and future assets of the Chargor;
- (c) is security for the payment of all the Secured Liabilities; and
- (d) is made with full title guarantee (except that the covenant set out in section 3(1) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to all charges, encumbrances and rights, even if the Chargor does not know and could not reasonably be expected to know about them).

2.2 Floating Charge

2.2.1 The Chargor charges by way of a first floating charge all its present and future business, undertaking and assets whatsoever.

2.2.2 Except as provided below, the Lender may by notice to the Chargor convert the floating charge created by the Chargor under this Clause 2.2 into a fixed charge as regards any of the Chargor's assets specified in that notice, if:

- (a) an Event of Default is outstanding; or
- (b) the Lender considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

2.2.3 The floating charge created by this Clause 2.2 may not be converted into a fixed charge solely by reason of:

- (a) the obtaining of a moratorium; or
- (b) anything done with a view to obtaining a moratorium,

under section 1A of the Insolvency Act 1986.

2.2.4 The floating charge created by the Chargor under Clause 2.2 will automatically convert into fixed charges:

- (a) if the Lender receives notice of an intention to appoint an administrator of the Chargor;
- (b) if any steps are taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of the Chargor over all or any part of its assets, or if such person is appointed;
- (c) if the Chargor creates or attempts to create any Security Interest over all or any of the Security Assets;
- (d) on the crystallisation of any floating charge over the Security Assets;

- (e) if any person seizes, attaches, charges, takes possession of or sells any Security Asset under any form of distress, sequestration, execution or other process or attempts to do so; and
- (f) in any other circumstances prescribed by law.

2.2.5 The floating charge created by this Clause 2.2 is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3. Representations and Warranties – General

The Chargor makes the representations and warranties set out in this Clause 3 to the Lender.

3.1 Nature of Security

The Chargor represents and warrants to the Lender that this Deed creates those Security Interests it purports to create and is not liable to be amended or otherwise set aside on its liquidation or administration or otherwise.

3.2 Status

It is a limited liability company, duly incorporated and validly existing under the laws of the jurisdiction of its incorporation.

3.3 Legal Validity

The obligations expressed to be assumed by the Chargor in this Deed are legal, valid, binding and enforceable obligations.

3.4 Nature of Security

This Deed creates the Security Interests it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise.

3.5 Immunity

It is not entitled to claim immunity from suit, execution, attachment or other legal process in any proceedings taken in its jurisdiction of incorporation in relation to this Deed.

3.6 Times for Making Representations and Warranties

3.6.1 The representations and warranties set out in this Deed (including in this Clause) are made on the date of this Deed.

3.6.2 Unless a representation and warranty is expressed to be given at a specific date, each representation and warranty under this Deed is deemed to be repeated by the Chargor on each date during the Security Period.

3.6.3 When a representation and warranty is repeated, it is applied to the circumstances existing at the time of repetition.

4. Restrictions on Dealings

The Chargor may not:

- (a) create or permit to subsist any Security Interest on any Security Asset; or
 - (b) sell, transfer, licence, lease or otherwise dispose of any Security Asset,
- except as expressly allowed under the Loan Agreement.

5. When Security Becomes Enforceable

5.1 Event of Default

This Security will become immediately enforceable:

- (a) on the occurrence of an Event of Default; or
- (b) if the Chargor so requests.

5.2 After this Security has become enforceable, the Lender may in its absolute discretion enforce all or any part of this Security in any manner it sees fit.

5.3 The power of sale and other powers conferred by Section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

6. Enforcement of Security

6.1 General

6.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.

6.1.2 Section 103 of the Act (restricting the power of sale) and Section 93 of the Act (restricting the right of consolidation) do not apply to this Security.

6.1.3 The statutory powers of leasing conferred on the Lender are extended so as to authorise the Lender to lease, make agreements for leases, accept surrenders of leases and grant options as the Lender may think fit and without the need to comply with any provision of section 99 or 100 of the Act.

6.2 No Liability as Mortgagee in Possession

Neither the Lender nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

6.3 Privileges

Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that Section 103 of the Act does not apply.

6.4 Protection of Third Parties

No person (including a purchaser) dealing with the Lender or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Lender or a Receiver is purporting to exercise has become exercisable or is being properly exercised; or
- (c) how any money paid to the Lender or to that Receiver is to be applied.

6.5 Redemption of Prior Mortgages

6.5.1 At any time after this Security has become enforceable, the Lender may:

- (a) redeem any prior Security Interest against any Security Asset; and/or
- (b) procure the transfer of that Security Interest to itself; and/or
- (c) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.

6.5.2 The Chargor must pay to the Lender, immediately on demand, the costs and expenses incurred by the Lender in connection with any such redemption and/or transfer, including the payment of any principal or interest.

6.6 Contingencies

If this Security is enforced at a time when any amount of the Secured Liabilities is not yet due but at a time when amounts may or will become due, the Lender (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account.

7. Receiver

7.1 Appointment of Receiver

7.1.1 Except as provided below, the Lender may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:

- (a) this Security has become enforceable; or
- (b) the Chargor so requests the Lender in writing at any time.

7.1.2 Any appointment under Clause 7.1.1 may be by deed, under seal or in writing under its hand.

7.1.3 Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.

7.1.4 The Lender is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.

7.1.5 The Lender may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Lender is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

7.2 Removal

The Lender may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

7.3 Remuneration

The Lender may fix the remuneration of any Receiver appointed by it and the maximum rate specified in Section 109(6) of the Act will not apply.

7.4 Agent of the Chargor

7.4.1 A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.

7.4.2 The Lender will not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

7.5 Relationship with the Lender

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Lender in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

8. Powers of Receiver

8.1 A Receiver has all of the rights, powers and discretions set out below in this Clause in addition to those conferred on it by any law; this includes:

- (a) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
- (b) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986

8.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

8.3 A Receiver may take immediate possession of, get in and collect any Security Asset.

8.4 A Receiver may carry on any business of the Chargor in any manner he thinks fit.

8.5 A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.

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- 8.6 A Receiver may discharge any person appointed by the Chargor.
- 8.7 A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit.
- 8.8 A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit. The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.
- 8.9 A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).
- 8.10 A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Security Asset.
- 8.11 A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit.
- 8.12 A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.
- 8.13 A Receiver may delegate his powers in accordance with this Deed.
- 8.14 A Receiver may lend money or advance credit to any customer of the Chargor.
- 8.15 A Receiver may:
- (a) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
 - (b) commence and/or complete any building operation; and
 - (c) apply for and maintain any planning permission, building regulation approval or any other authorisation.
- in each case as he thinks fit.
- 8.16 A Receiver may:
- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
 - (b) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset; and

- (c) use the name of the Chargor for any of the above purposes.

9. Application of Proceeds

9.1 Any moneys received by the Lender or any Receiver after this Security has become enforceable must be applied in the following order:

- (a) **first**, in or towards the payment of any unpaid costs and expenses of the Lender and any Receiver under this Deed or which are incidental to the Receiver's appointment, together with interest at the rate of 1% per annum higher than the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted a Loan (both before and after judgment) from the date those amounts became due (following the occurrence of an Event of Default which is continuing) until the date they are irrevocably paid in full;
- (b) **second**, in or towards payment of or provision for all costs and expenses incurred by the Lender or any Receiver under or in connection with this Deed and of all remuneration due to any Receiver under or in connection with this Deed;
- (c) **third**, in or towards the discharge of liabilities having priority to the Secured Liabilities;
- (d) **fourth**, in or towards payment of or provision for the Secured Liabilities; and
- (e) **fifth**, in payment of the surplus (if any) to the Chargor or other person entitled to it.

9.2 This Clause is subject to the payment of any claims having priority over this Security. This Clause does not prejudice the right of the Lender to recover any shortfall from the Chargor.

10. Expenses and Indemnity

The Chargor must:

- (a) immediately on demand pay all costs and expenses (including legal fees) incurred in connection with this Deed by the Lender, Receiver, attorney, manager, agent or other person appointed by the Lender under this Deed including any arising from any actual or alleged breach by any person of any law or regulation, whether relating to the environment or otherwise; and
- (b) keep each of them indemnified against any failure or delay in paying those costs or expenses.

11. Delegation

11.1 The Lender or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.

- 11.2 Any such delegation may be made upon any terms (including power to sub-delegate) which the Lender or any Receiver may think fit.
- 11.3 Neither the Lender nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

12. Preservation and Further Assurances

- 12.1 The Chargor must take all steps which are reasonably practicable to maintain and preserve its interests in the Security Assets.
- 12.2 The Chargor must, at its own expense, take whatever action the Lender or a Receiver may require for:
- (a) creating, perfecting or protecting any security intended to be created by this Deed; or
 - (b) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Lender or any Receiver or any of its delegates or sub-delegates in respect of any Security Asset.

13. Power of Attorney

The Chargor, by way of security, irrevocably and severally appoints the Lender, each Receiver and any of its delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause.

14. Changes to the Parties

- 14.1 The Chargor may not assign or transfer any of its rights or obligations under this Deed.
- 14.2 The Chargor consents to any assignment of the Lender's rights and any transfer of the Lender's obligations under this Deed.
- 14.3 The Chargor shall, immediately upon being requested to do so by the Lender and at the cost of the Chargor, enter into such documents as may be necessary or desirable to effect any assignment or transfer referred to in Clause 14.2.

15. Miscellaneous

15.1 Covenant to Pay

The Chargor must pay or discharge the Secured Liabilities when due and payable.

15.2 Continuing Security

This Security is a continuing security and shall remain in full force and effect during the Security Period and shall not be discharged by any intermediate discharge or payment on account of the Secured Liabilities or any settlement of account.

15.3 Tacking

- 15.3.1 For the purposes of section 94(1) of the Act and section 49(3) of the Land Registration Act 2002 the Lender confirms that it shall make any further advances to the Borrower on the terms and subject to the conditions of the Loan Agreement.
- 15.3.2 The Lender must perform its obligations under the Loan Agreement (including any obligation to make available further advances).

15.4 New Accounts

- 15.4.1 If the Lender receives notice of any subsequent charge or other interest affecting all or part of any Security Asset, the Lender may open a new account for the Chargor in the Lender's books. Without prejudice to the Lender's right to combine accounts, no money paid to the credit of the Chargor in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- 15.4.2 If the Lender does not open a new account immediately on receipt of notice under Clause 15.4.1, then, unless the Lender gives express written notice to the contrary to the Chargor, all payments made by the Chargor to the Lender shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt of the relevant notice by the Lender.

16. Release

- 16.1 Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities, the Lender shall, unless any third party has any subrogation or other rights in respect of the Security created by this Deed at that time, or shall procure that its appointees will, at the request and cost of the Chargor:
- (a) release the Security Assets from this Deed; and
 - (b) re-assign to the Chargor those Security Assets that have been assigned to the Lender pursuant to this Deed.
- 16.2 Section 93 of the Act shall not apply to this Deed.

17. Partial Invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

18. Governing Law

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

19. Jurisdiction

- 19.1.1 The English courts have exclusive jurisdiction to settle any dispute including a dispute relating to non-contractual obligations arising out of or in connection with this Deed.
- 19.1.2 The English courts are the most appropriate and convenient courts to settle any such dispute in connection with this Deed. The Chargor agrees not to argue to the contrary and waives objection to those courts on the grounds of inconvenient forum or otherwise in relation to proceedings in connection with this Deed.
- 19.1.3 References in this Clause 19 to a dispute include any dispute as to the existence, validity or termination of this Deed.

This document is executed as a deed and is delivered by the parties or their duly authorised representatives on the date written at the beginning of it.

SIGNATORIES

EXECUTED as a DEED by
ROYAL COLLECTION ENTERPRISES LIMITED
acting by
two Directors/a Director and the
Secretary:

)
) *Tim Knox*
)

Director *[Signature]*

Director/Secretary

EXECUTED as a DEED by
THE ROYAL COLLECTION TRUST acting by
two Directors/a Director and the
Secretary:

)
) *Michael Stevens*
)

Director *[Signature]*

Director/Secretary