



**Registration of a Charge**

Company name: **TALLYMONEY LTD**

Company number: **07089561**



X8IH28IH

Received for Electronic Filing: **18/11/2019**

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**Details of Charge**

Date of creation: **15/11/2019**

Charge code: **0708 9561 0001**

Persons entitled: **WOODSIDE CORPORATE SERVICES LIMITED**

Brief description:

**Contains fixed charge(s).**

**Contains negative pledge.**

**Chargor acting as a bare trustee for the property.**

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**Authentication of Form**

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

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**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: **HILL DICKINSON LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 7089561

Charge code: 0708 9561 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th November 2019 and created by TALLYMONEY LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th November 2019 .

Given at Companies House, Cardiff on 19th November 2019

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

# HILL DICKINSON

Dated 15<sup>TH</sup> NOVEMBER 2019

## SECURITY TRUST DEED

Between

- (1) The Real Asset Co. Limited
- (2) Tally Limited
- (3) TallyMoney Ltd

and

- (4) Woodside Corporate Services Limited

Hill Dickinson LLP  
The Broadgate Tower  
20 Primrose Street  
London  
EC2A 2EW  
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THIS SECURITY TRUST DEED is made the 15<sup>TH</sup> November 2019

**BETWEEN**

- (1) **THE REAL ASSET CO. LIMITED** a company incorporated in England and Wales with registered number 07385324 whose registered office is at Salisbury House, London Wall, London EC2M 5QQ (the **Company**);
- (2) **TALLY LTD** a company incorporated in Guernsey with registered number 53026 whose registered office is at PO Box 182, Channel House, Forest Lane, St. Peter Port, Guernsey GY1 4HL (the **Guarantor**);
- (3) **TALLYMONEY LTD** a company incorporated in England and Wales with registered number 07089561 whose registered office is at Salisbury House, London Wall, London EC2M 5QQ (**TallyMoney**); and
- (4) **WOODSIDE CORPORATE SERVICES LIMITED** a company incorporated in England and Wales with registered number 06171085 whose registered office is at 4<sup>th</sup> Floor, 50 Mark Lane, London EC3R 7QR (the **Security Trustee**).

**NOW THIS DEED WITNESSES** as follows:

**RECITALS**

- (A) The Company and TallyMoney operate a payment service platform developed by the Guarantor (the **Tally Platform**) that allows retail banking customers to deposit fiat currency into a Tally banking account which converts into milligrams of gold (1 Tally = 1 milligram of gold) and when spent via a linked debit card or sent to another bank account, converts from gold into the local fiat currency.
- (B) The Company currently has, pursuant to the Custody Agreement (as defined below), established a relationship with FC Stone (as defined below) to purchase, transport and store gold.
- (C) The Company currently has, through the EMD Agency Agreement (as defined below), established a relationship with PayrNet in order to provide e-money to its clients.
- (D) The Tally Platform currently utilises the Railsbank 'bank in a box' Application Programming Interface (**API**) to facilitate electronic deposits and payments in Tally pursuant to the Railsbank Software License and Live Account Contract (both as defined below).
- (E) The Guarantor, the Company and TallyMoney (as applicable) wish to grant security to the Security Trustee so that upon the occurrence of an Insolvency Event (as defined below), the Security Trustee can step into the Relevant Agreements and arrange the sale of the Asset Holders' (as defined below) gold back into fiat and then transferred to the relevant customers bank account.

**1 DEFINITIONS AND INTERPRETATION**

1.1 The definitions and rules of interpretation in this clause apply in this instrument:

- 1.1.1 **Asset Holders:** those persons who are customers of the Company, TallyMoney or the Guarantor as the case may be from time to time and who deposit fiat currency via the Tally Platform to acquire gold to be held on trust on their behalf and allocated to the relevant customer;
- 1.1.2 **Asset Holders' Gold:** shall have the meaning given in clause 14.1;
- 1.1.3 **Counter Party:** a party to any of Relevant Agreements granting the Secured Rights that are not on the Obligor;
- 1.1.4 **Custody Agreement:** the Custody Agreement for precious metals dated 12 December 2018 and made between (1) the Company and (2) FC Stone, as further described at Schedule 1 hereto;
- 1.1.5 **Delegate:** any person appointed by the Security Trustee or any Receiver pursuant to the terms of this Deed any person appointed as attorney of the Security Trustee, Receiver or Delegate;
- 1.1.6 **Effective Date:** the date of this Deed;
- 1.1.7 **EMD Agency Agreement:** the Electronic Money Directive Agency Agreement dated 11 October 2017 and made between (1) PayrNet and (2) the Company as further

described at Schedule 1 hereto;

- 1.1.8 **FC Stone:** INTL FCStone Ltd, a company incorporated in England and Wales with registered number 05616586 whose registered office is at Moor House, First Floor 120 London Wall, London EC2Y 5ET;
  - 1.1.9 **Group:** in relation to a company, that company, any subsidiary or any holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company (as **subsidiary** and **holding company** are defined in section 1159 of the Companies Act 2006);
  - 1.1.10 **Insolvency Event:** the Company, the Guarantor or TallyMoney (or any member of the Company's Group which is a party to a Relevant Agreement) becomes insolvent (within the meaning of section 123 of the Insolvency Act 1986), or an application for its insolvency or winding-up is made or threatened by the directors of the Guarantor (or those directors of the relevant member of the Company's Group, as applicable);
  - 1.1.11 **Insurance Policy:** each contract and policy of insurance effected or maintained by the Company from time to time relating to the Asset Holders' Gold and the Relevant Agreements;;
  - 1.1.12 **LBMA:** London Bullion Market Association or its successors;
  - 1.1.13 **Live Account Contract:** the live account contract dated 17 October 2017 made between (1) PayrNet and (2) the Company, as further described at Schedule 1 hereto;
  - 1.1.14 **LPA 1925:** Law of Property Act 1925;
  - 1.1.15 **Obligor:** the Company, the Guarantor or TallyMoney as the case may be;
  - 1.1.16 **Party:** a party to this Deed;
  - 1.1.17 **PayrNet:** PayrNet Limited a company incorporated in England and Wales with registered number 09883437 whose registered office is at Kemp House, 152 City Road, London EC1V 2NX;
  - 1.1.18 **Railsbank:** Railsbank Technology Limited a company incorporated in England and Wales with registered number 10076912 whose registered office is at The Old Vicarage, Hitchin Road, Kimpton SG4 8EF;
  - 1.1.19 **Railsbank Software License:** the agreement for the supply of software and access to related services dated 17 October 2017 made between (1) Railsbank and (2) the Company, as further detailed at Schedule 1 hereto;
  - 1.1.20 **Receiver:** a receiver, receiver and manager or administrative receiver appointed – by the Security Trustee under clause 14;
  - 1.1.21 **Relevant Agreement:** each agreement specified in Schedule 1;
  - 1.1.22 **Secured Rights:** means those rights over which the Security is granted by way of fixed charge to the Security Trustee pursuant to clause 4.1;
  - 1.1.23 **Security:** the security created by this Deed;
  - 1.1.24 **Tally Currency:** the unit of currency being one milligram of gold held by an Asset Holder; and
  - 1.1.25 **Terms and Conditions:** the standard terms and conditions of business of the Company as amended from time to time.
- 1.2 References to any statute or statutory provision shall include references to such statute or statutory provision as in force at the date of this Deed and as subsequently re-enacted or consolidated and shall include references to any statute or statutory provision of which it is a re-enactment or consolidation.
  - 1.3 In construing this Deed general words introduced by the word **other** shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.
  - 1.4 All the provisions of this Deed are severable and distinct from one another and the illegality, invalidity or unenforceability of any provision of this Deed under the law of any jurisdiction shall

not affect its validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.

- 1.5 The headings in this Deed are inserted for convenience only and shall not affect construction or interpretation and references to a clause, condition, schedule or paragraph are (unless otherwise stated) to a clause or schedule in this Deed and to a condition or a paragraph of the relevant schedule.

## 2 COMING INTO EFFECT

This Deed comes into effect on the Effective Date.

## 3 SECURITY TRUSTEE

- 3.1 **Appointment of Security Trustee:** As of the Effective Date the Company appoints the Security Trustee as the security trustee on behalf of the Asset Holders.

- 3.2 **Security Trustee as Trustee:** Except as provided below, the Security Trustee holds:

- 3.2.1 the Security; and
- 3.2.2 all other assets paid to, held by or received or recovered by it under or in connection with this Deed,

on trust for the Asset Holders.

- 3.3 **Responsibility Limitations:** The Security Trustee is not responsible to any Asset Holder for any failure in perfecting or protecting any Security, or recovering or realising any assets of the Company, or exercising any rights under this Deed unless directly caused by its gross negligence or wilful misconduct. This includes any failure to:

- 3.3.1 protect the relevant Security or the priority of any of the Security under any law in any jurisdiction; or
- 3.3.2 obtain any authorisation for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any of the Relevant Agreements or the Security; or
- 3.3.3 promptly pay the Asset Holders; or
- 3.3.4 obtain market value on the realisation of the Asset Holders' Gold; or
- 3.3.5 take, or require any Obligor to take any steps to perfect its title to any of the assets that are secured under this Deed or to render the Security effective or to secure the creation of any ancillary security interest under the laws of any jurisdiction.

## 4 FIXED CHARGE

- 4.1 Each of the Company and TallyMoney with full title guarantee charges to the Security Trustee by way of a first fixed charge:

- 4.1.1 all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy; and
- 4.1.2 all its rights in respect of each Relevant Agreement to which it is a party and all other agreements, instruments and rights relating to the Asset Holders' Gold.

- 4.2 The Company hereby undertakes to the Security Trustee that it will procure the registration of the charge created under this Deed and this clause 4 with the Registrar of Companies without delay after the Effective Date.

## 5 ASSIGNMENT

- 5.1 Each of the Company and TallyMoney<sup>32</sup> with full title guarantee hereby assigns to the Security Trustee absolutely, subject to a proviso for reassignment on termination of this Deed:

- 5.1.1 all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy;
- 5.1.2 the benefit of each Relevant Agreement to which it is a party and the benefit of all other agreements, instruments and rights relating to the Asset Holders' Gold; and
- 5.1.3 the benefit of each agreement which is a substitute for a Relevant Agreement to which it is a party and the benefit of all other agreement, instruments and rights relating to the Asset Holders' Gold.

## **6 REPRESENTATIONS AND WARRANTIES**

- 6.1 The Company makes the representations and warranties to the Security Trustee set out in this clause 6 on the date of this Deed (and each date during which it is in force).
- 6.2 The Company, or a member of the Company's Group, is the sole and legal beneficial owner of, and has good, valid and marketable title to, the Secured Rights.
- 6.3 The Secured Rights are free from any Security other than the Security created by this Deed.
- 6.4 This Deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Company, and is, and will continue to be, effective security over all and every part of the Secured Rights in accordance with its terms.

## **7 RELEVANT AGREEMENT COVENANTS**

- 7.1 The Company and TallyMoney shall, unless the Security Trustee agrees otherwise in writing, comply with the terms of each Relevant Agreement to which it is a party and any other document, agreement or arrangement comprising the Secured Rights.
- 7.2 The Company and TallyMoney shall not, without prior consultation with the Security Trustee:
  - 7.2.1 amend or vary or agree to any change in, or waive any requirement of or its rights under;
  - 7.2.2 settle, compromise, terminate, rescind or discharge (except by performance); or
  - 7.2.3 abandon, waive, dismiss, release or discharge any action, claim or proceedings against any counterparty to a Relevant Agreement or other person in connection with,any Relevant Agreement to which it is a party or any other document, agreement or arrangement comprising the Secured Rights, save that the Company or TallyMoney (as the case may be) may substitute other equivalent contractual arrangements for one or more of the Relevant Agreement where it changes the relevant service provider.

## **8 TITLE DOCUMENTS**

- 8.1 Each of the Company and TallyMoney shall, as so required by the Security Trustee, deposit with the Security Trustee and the Security Trustee shall, for the duration of this Deed be entitled to hold:
  - 8.1.1 copies of all Insurance Policies and any other insurance policies relating to any of the Secured Rights that the Company is entitled to possess; and
  - 8.1.2 a copy of each Relevant Agreement to which it is a party, certified to be a true copy by a director of the Company.

## **9 INFORMATION**

- 9.1 Each of the Company and TallyMoney shall:
  - 9.1.1 give the Security Trustee such information concerning the Secured Rights as the Security Trustee may reasonably require;
  - 9.1.2 promptly notify the Security Trustee in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Right or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Company's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Security Trustee's prior approval, implement those proposals at its own expense.

## **10 NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS**

- 10.1 The Company and TallyMoney shall not at any time, except with the prior written consent of the Security Trustee:
  - 10.1.1 create, purport to create or permit to subsist any Security on, or in relation to, any Secured Right other than any Security created by this Deed;
  - 10.1.2 sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Rights (except, in the ordinary course of business, Secured Rights that are only subject to an



uncrystallised floating charge); or

- 10.1.3 create or grant (or purport to create or grant) any interest in the Secured Rights in favour of a third party.
- 10.2 The Company shall not do, and shall procure that no member of the Company's Group does, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the Security held by the Security Trustee, or materially diminish the value of any of the Secured Rights or the effectiveness of the Security created by this Deed.
- 10.3 The Company shall not, and shall procure that a member of the Company's Group does not, without the prior written consent of the Security Trustee, use or permit the Secured Rights to be used in any way contrary to common law.
- 10.4 The Company shall, and shall procure that those members of the Company's Group shall:
  - 10.4.1 comply with the requirements of any law or regulation relating to or affecting the Secured Rights or the use of it or any part of them; and
  - 10.4.2 obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Secured Rights or their use or that are necessary to preserve, maintain or renew any Secured Right.

#### **11 ENFORCEMENT AND RIGHTS ON AN INSOLVENCY EVENT OR DEFAULT**

- 11.1 The Security shall or may (as the case may be) be enforced in accordance with and subject to the provisions of this Deed.
- 11.2 The Company, Guarantor and TallyMoney shall have an obligation to notify the Security Trustee in writing immediately and without delay upon becoming aware that an Insolvency Event is about to occur and/or is inevitable.
- 11.3 For the avoidance of doubt, in the absence of written notice in accordance with clause 11.2, the Security Trustee shall be under no obligation to make any enquiries regarding the solvency of the Company or regarding the fulfilment of the Company's payment obligations to the Asset Holders.
- 11.4 On an Insolvency Event:
  - 11.4.1 the Company shall use its reasonable endeavours to (or procure that the relevant member of the Company's Group uses its reasonable endeavours to):
    - 11.4.1.1 procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Company or a member of the Company's Group and forming part of the Secured Rights of the covenants and other obligations imposed on such counterparty (including each counterparty in respect of a Relevant Agreement and each insurer in respect of an Insurance Policy);
    - 11.4.1.2 provide to the Security Trustee details of the Asset Holders' personal bank details, subject always to the privacy policy of the Company and on the condition that the Security Trustee agrees to comply with such privacy policy;
    - 11.4.1.3 enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Rights that the Security Trustee may require from time to time;
  - 11.4.2 the Security Trustee shall use reasonable endeavours to use the Secured Rights to procure the sale of the Asset Holders' Gold and the return of proceeds, net of all associated costs and fees (including for the avoidance of doubt, any fees of the Security Trustees) to the Asset Holders as soon as reasonably practical;
  - 11.4.3 in addition to any other rights it may have, the Security Trustee shall be entitled:
    - 11.4.3.1 to close out any transaction, buy, sell or enter into any other transaction or take, or refrain from taking, such other action at such time or times and in such manner as, at the Security Trustee's discretion, and as the Security Trustee considers necessary or appropriate to cover, reduce

or eliminate the liabilities of the Company, the Guarantor or TallyMoney (as the case may be) to the Asset Holders;

11.4.3.2 to give instructions to Raisbank in respect of Live Accounts pursuant to the terms of the Live Account Contract; and

11.4.3.3 to notify the counterparties to the Relevant Agreements and the Insurance Policies accordingly and to liaise and deal with such counterparties and the arrangements under each Relevant Agreement and Insurance Policy as it deems fit.

11.5 Unless otherwise set out in this Deed or the Terms and Conditions, the Asset Holders will not have any independent power to enforce or have recourse to any of the Security or to exercise any rights or powers arising under this Deed except through the Security Trustee.

## 12 PROCEEDS OF RECOVERY

All monies which are received by the Security Trustee, pending distribution to the Asset Holders, may be placed on deposit in the name of or under the control of the Security Trustee at whichever banking or financial institution it sees fit, including via the TallyPlatform, and upon such terms as it may think fit.

## 13 GUARANTEE

13.1 To procure the performance by the Company of the Company's obligations pursuant to this Deed, the Guarantor guarantees as a 'Primary Obligor' that it will itself fully indemnify the Security Trustee in respect of any breaches by the Company of its payment obligations pursuant to this Deed and itself procure the payment thereof, specifically as set out in the following clauses:

13.1.1 clause 14.3 (*Remuneration of Receiver*); and

13.1.2 clause 24 (*Costs*).

## 14 RECEIVER

### 14.1 *Appointment*

Within a reasonable time after the Security constituted by this Deed has become enforceable due to occurrence of an Insolvency Event, or at the request of the Company, the Security Trustee may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the gold held by the Security Trustee pursuant to the Secured Rights (**Asset Holders' Gold**).

### 14.2 *Removal*

The Security Trustee may (subject to section 45 of the Insolvency Act 1986 in the case of an administrative receiver), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

### 14.3 *Remuneration*

The Security Trustee may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this Deed, to the extent not otherwise discharged. Such fees shall form part of the overall cap on expenses set out in clause 24.2 below.

### 14.4 *Power of Appointment additional to Statutory Powers*

The power to appoint a Receiver (whether conferred by this Deed or by statute) shall be, and remain, exercisable by the Security Trustee despite any prior appointment in respect of all or any part of the Secured Rights.

### 14.5 *Agent of the Company*

Any Receiver appointed by the Security Trustee under this Deed shall be the agent of the Company (or Group company as applicable) and the Company (or Group company as applicable) shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Company (or Group company as applicable) goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Company (or Group company as applicable).

## **15 POWERS OF THE RECEIVER**

### **15.1 *General***

- 15.1.1 Any Receiver appointed by the Security Trustee under this Deed shall, in addition to the powers conferred on it by statute, have the rights, powers and discretions set out in this clause 15.
- 15.1.2 A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether it is an administrative receiver or not.
- 15.1.3 if there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver
- 15.1.4 Any exercise by a Receiver of any of the powers given by this clause 15 may be on behalf of the Company (or the relevant Group company as appropriate), the directors of the Company (or relevant Group company as appropriate), or itself.

### **15.2 *Employ Personnel and Advisers***

- 15.2.1 A Receiver may provide services and employ or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that it thinks fit.
- 15.2.2 A Receiver may discharge any such person or any such person appointed by the Company (or relevant Group company as appropriate).

### **15.3 *Remuneration***

Subject to clause 24.2, a Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by it) that the Security Trustee may prescribe or agree with it.

### **15.4 *Possession***

A Receiver may take immediate possession of and realise any Asset Holders' Gold for the benefit of the Asset Holders.

### **15.5 *Dispose of Asset Holders' Gold***

A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which it is appointed (including, without limitation, by public auction or private sale) and generally on any terms and conditions that accurately reflects the market price at the time. Any sale may be for any consideration that the Receiver thinks fit in its reasonable opinion and a Receiver may promote, or concur in promoting, a company to purchase the Secured Rights to be sold.

### **15.6 *Make Settlements***

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with any Counter Party or relating in any way to any Secured Right.

### **15.7 *Legal Action***

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Rights as it thinks fit.

### **15.8 *Insure***

A Receiver may, in its reasonable opinion, effect with any insurer any insurance policy (including the Insurance Policies) either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Company under this Deed or in relation to any of the Asset Holders' Gold.

### **15.9 *Delegation***

A Receiver may delegate its powers in accordance with this Deed.

**15.10 Absolute Beneficial Owner**

A Receiver may, in relation to any of the Asset Holders' Gold, exercise all powers, authorisations and rights it would be capable of exercising as, and do all those acts and things, an absolute beneficial owner could exercise or do, in the ownership and management of the Asset Holders' Gold or any part of the Asset Holders' Gold.

**15.11 Incidental Powers**

15.11.1 A Receiver may do any other acts and things that it:

- 15.11.1.1 may consider desirable or necessary for realising any of the Asset Holders' Gold;
- 15.11.1.2 may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law; or
- 15.11.1.3 lawfully may or can do as agent for the Company.

**16 DELEGATION**

The Security Trustee or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney granted under clause 17).

**17 POWER OF ATTORNEY**

17.1 By way of security, the Company irrevocably appoints the Security Trustee, every Receiver and every Delegate separately to be the attorney of the Company and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

- 17.1.1 the Company is required to execute and do under this Deed; or
- 17.1.2 any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this Deed or by law on the Security Trustee, any Receiver or any Delegate.

17.2 The Company ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 17.1.

**18 RELEASE**

18.1 Subject to the written agreement of both parties hereto, the Security Trustee shall, at the request and cost of the Company, take whatever action is necessary to:

- 18.1.1 release the Secured Rights from the Security constituted by this Deed; and
- 18.1.2 reassign the Secured Rights to the Company.

**19 NOTICES TO BE GIVEN BY THE COMPANY**

19.1 The Company shall, or shall procure that the relevant member of the Company's Group shall:

- 19.1.1 on the execution of this Deed and as so requested by the Security Trustee from time to time:
  - 19.1.1.1 give notice to each counterparty to a Relevant Agreement in the form set out in Part 1 of Schedule 2 to the extent it can; and
  - 19.1.1.2 procure that each counterparty provides to the Security Trustee an acknowledgment of the notice in the form set out at Part 2 of Schedule 2; and
- 19.1.2 on the execution of this Deed and as so requested by the Security Trustee from time to time:
  - 19.1.2.1 give notice to each insurer under an Insurance Policy in the form set out at Part 1 of Schedule 3; and
  - 19.1.2.2 procure that each insurer provides to the Security Trustee an acknowledgement of the notice in the form set out at Part 2 of Schedule 3 if able.

## 20 PERPETUITY PERIOD

The perpetuity period for the trusts created by this Deed is eighty (80) years.

## 21 DISAPPLICATION

Section 1 of the Trustee Act 2000 will not apply to the duties of the Security Trustee in relation to the trusts constituted by this Deed. Where there are any inconsistencies between the Trustee Acts and the provisions of this Deed, the provisions of this Deed will, to the extent allowed by law, prevail and, in the case of any such inconsistency with the Trustee Act 2000, the provisions of this Deed will constitute a restriction or exclusion for the purposes of that Act.

## 22 REPLACEMENT OF SECURITY TRUSTEE

- 22.1 Upon the Company (or relevant member of the Company's Group) providing notice to the Security Trustee, the Company may at any time (provided that this Deed is not enforceable) remove the Security Trustee (provided that the removal will not be effective until an independent bona fide successor trustee over the Secured Rights is appointed):

22.1.1 where the Company believes the Security Trustee has breached its obligations under this Deed; or

22.1.2 where the Company wishes to withdraw the Security Trustee's appointment and appoint an alternative security trustee.

- 22.2 Where the Security Trustee is removed pursuant to this clause, it shall use all reasonable endeavours to co-operate with the new security trustee to transfer the Security to the new security trustee.

- 22.3 The Security Trustee may retire from its role as security trustee at any time provided it has not received written notice of any potential Insolvency Event, by giving the Company at least 3 months' written notice.

## 23 APPLICATION OF PROCEEDS

All distributions (net of the Security Trustee's fees and costs, where applicable) shall be made pro rata to the respective nominal value of the relevant Asset Holder's Gold at the global spot price.

## 24 COSTS

- 24.1 Subject to clause 24.2 below, the Company shall, on written request, pay all reasonable and properly incurred costs, charges and expenses which the Security Trustee may properly incur on a time spent basis in relation to the exercise of its powers (including the fees and costs of any Receiver and the agreed annual fee of the Security Trustee as may be varied by written agreement between the parties from time to time), the performance of its duties, or the enforcement of any of its rights, powers or remedies in respect of, and in any other manner in relation to or under this Deed.

- 24.2 In respect of those costs incurred by the Security Trustee or any Receiver appointed by the Security Trustee following the enforcement of the Security under the terms of this Deed, such costs (and therefore the aggregate liability of the Guarantor) will be capped at the higher of £100,000 (one hundred thousand pounds) or 1% of the aggregate value of the Tally Currency held by the Asset Holders at the date of enforcement.

- 24.3 The Security Trustee reserves the right to cease to act and thereby terminate the arrangements under this Deed in the events that estimated costs of the Security Trustee exceed the amounts set out in clause 24.2. Prior to resigning, the Security Trustee will consult with the Guarantor and the Asset Holders in respect to whether they would provide assurances (either through prepayment or indemnification) in respect of the Security Trustees' fees over those amounts stated in clause 24.2.

- 24.4 In the event that the costs of the Security Trustee (or any Receiver appointed) be less than 1% of the aggregate value of the Tally Currency held by the Asset Holders at the date of enforcement, the following formula will be used to calculate an amount which will be returned to the Guarantor:

*1% of the aggregate value of the Tally Currency held by the Asset Holders*

*less*

*time spent by the Security Trustee and/or the Receiver pursuant to hourly rates in the rate card (i.e. costs)*

= X

*X will then be distributed back to the Guarantor.*

- 24.5 In the event that the costs of the Security Trustee (or any Receiver Appointed) be more than 1% of the aggregate value of the Tally Currency held by the Asset Holders at the time of enforcement, there will be no payment to the Guarantor pursuant to clause 24.4.

## **25 MISCELLANEOUS**

- 25.1 This Deed may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered to any Party shall be an original, but all the counterparts shall constitute one and the same instrument.
- 25.2 The Security Trustee may disclose to any actual or proposed assignee or transferee, subject to complying with any applicable general data protection rules and regulations, any information in its possession that relates to the Company, the Secured Rights and this Deed that the Security Trustee considers appropriate.
- 25.3 The Company may not assign any of its rights, or transfer any of its rights or obligations, under this Deed.
- 25.4 No amendment of this Deed shall be effective unless it is in writing and signed by, or on behalf of, each Party (or its authorised representative).
- 25.5 A waiver of any right or remedy under this Deed or by law, or any consent given under this Deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.
- 25.6 A failure or delay by a party to exercise any right or remedy provided under this Deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this Deed. No single or partial exercise of any right or remedy provided under this Deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this Deed by the Security Trustee shall be effective unless it is in writing.
- 25.7 The rights and remedies provided under this Deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.
- 25.8 If any provision (or part of a provision) of this Deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this Deed.
- 25.9 Except as expressly provided elsewhere in this Deed, a person who is not a party to this Deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this Deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

## **26 NOTICES**

- 26.1 All communications to be made hereunder shall be made by facsimile or otherwise in writing.
- 26.2 Any notices, proceedings or other documents to be served on any of the Parties pursuant to this Deed shall be made or delivered to it at the address and/or facsimile number set out under its name at the end of this Deed or at such other address and/or facsimile number as a Party may hereafter advise in writing.
- 26.3 Any notice to any Party shall be deemed to have been given:
- 26.3.1 if delivered personally, at the time of such delivery; or
- 26.3.2 if posted, on the second Business Day following the day on which it was dispatched by first class mail (airmail, if appropriate) postage prepaid; and if sent by facsimile transmission, on the Business Day on which transmitted.

## **27 THIRD PARTY RIGHTS**

Each Asset Holder shall be entitled to enforce the provisions of this Deed as if they were a Party hereto subject only to the limitations contained herein, including clause 11.3. Save as aforesaid, a person who is not a Party to this Deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

**28 GOVERNING LAW AND JURISDICTION**

- 28.1 This Deed shall be governed by, and construed in accordance with, the laws of England.
- 28.2 Each of the Company and each Asset Holder irrevocably agrees for the benefit of the Security Trustee that the courts of England shall have jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes which may arise out of, or in connection with, this Deed and, for such purposes, the parties hereto irrevocably submit to the jurisdiction of such courts.

**IN WITNESS** whereof the parties have each duly executed this as a deed the day and the year first before written

EXECUTED as a deed by The Real Asset Co.  
Ltd acting by a duly authorised officer, in the  
presence of:

Ralph Hazell.

Signature of Witness:

Name of Witness:

Address: 52A CAVENDISH RD  
LONDON NW6 7XP

Occupation: COMPANY DIRECTOR

EXECUTED as a deed by Tally Limited acting  
by a duly authorised officer, in the presence of:

Signature of Witness:

Name of Witness: RALPH HAZELL.

Address: Sheepscombe House,  
Stroud,  
GL6 7RA

Occupation: Company Director.

EXECUTED as a deed by TallyMoney Ltd acting  
by a duly authorised officer, in the presence of:

Signature of Witness:

Name of Witness: RALPH HAZELL.

Address: Sheepscombe House,  
Stroud,  
GL6 7RA.

Occupation: Company Director.

EXECUTED as a deed by Woodside Corporate  
Services Limited acting by a duly authorised  
officer, in the presence of:

Signature of Witness:

Name of Witness:

Address: 50 MARK LANE  
LONDON EC3R 7QR

Occupation COMPLIANCE ASSISTANT



## **SCHEDULE 1 – RELEVANT AGREEMENTS**

1. **Date:** 12 December 2018

**Parties:** (1) the Company and (2) FC Stone

**Type of contract:** Custody Agreement for Precious Metals

FC Stone is a company authorised and regulated by the Financial Conduct Authority, a full member of the LBMA and as associate member of the London Platinum and Palladium Market and pursuant to its business activities it regularly purchases and sells precious metals.

FC Stone and the Company executed a Master Sale and Purchase Agreement for the purchase of physical supplies of precious metals by the Company from FC Stone.

FC Stone has a commercial relationship with an international logistics provider elected by FC Stone pursuant to which, FC Stone has opened a secondary custody account which is used solely for the gold of the Company.

2. **Date:** 11 October 2017 and as amended on 13 December 2018

**Parties:** (1) the Company and (2) PayrNet

**Type of contract:** EMD Agency Agreement (as amended and novated)

The Company agreed to contract with PayrNet as the Company is not authorised to carry out payment services or electronic money services in the UK or EU, therefore under the terms of the agency agreement, the Company has become an agent of PayrNet under the Electronic Money Regulations 2011.

3. **Date:** 17 October 2017

**Parties:** (1) the Company and (2) PayrNet

**Type of contract:** Live Account

PayrNet agrees to provide the Company with a non-interest-bearing electronic account, or multiple accounts, maintained for the sole purpose of enabling the Services and the Transactions (as defined therein) (the **Live Account**).

The Live Account is provided by PayrNet and Railsbank has been appointed as PayrNet's agent to provide the Company the Live Account and any use of the Live Account.

In order to open the Live Account, the Company agreed to the terms and conditions of Railsbank.

4. **Date:** 17 October 2017

**Parties:** (1) the Company and (2) Railsbank

**Type of contract:** Software Licence

This agreement sets out the terms and conditions relating to the Company's use of Railsbank's 'Live' technology platform. The platform enables customers to access services from banking, e-money, compliance and other service providers.

## SCHEDULE 2 - NOTICE AND ACKNOWLEDGEMENT – RELEVANT AGREEMENT

### Part 1

#### Form of notice

[On headed notepaper of the Company]

[NAME OF COUNTERPARTY]

-

[ADDRESS LINE 1]

-

[ADDRESS LINE 2]

-

[POSTCODE]

[DATE]

Dear [NAME OF COUNTERPARTY],

**Security Trust Deed dated [DATE] 2019 between (1) The Real Asset Co. Ltd (2) Tally Limited (3) TallyMoney Ltd and (4) Woodside Corporate Services Limited (Security Trust Deed)**

We refer to the [DESCRIBE RELEVANT AGREEMENT] (Contract).

This letter constitutes notice to you that under the Security Trust Deed (a copy of which is attached) we have charged, by way of security, and assigned to Woodside Corporate Services Limited (**Security Trustee**) all our rights in respect of the Contract.

We confirm that:

- We will remain liable under the Contract to perform all the obligations assumed by us under the Contract.
- Neither the Security Trustee nor any receiver or delegate appointed by the Security Trustee will at any time be under any obligation or liability to you under or in respect of the Contract.

Neither the Security Trust Deed nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Contract.

Subject to the above, we will remain entitled to exercise all our rights, powers and discretions under the Contract and you may continue to deal with us in relation to the Contract and give notices under the Contract to us unless and until you receive written notice to the contrary from the Security Trustee. Thereafter, all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Security Trustee or as it directs and we will cease to have any right to deal with you in relation to the Contract and you must deal only with the Security Trustee.

Please note that we have agreed that we will not amend or waive any provision of or terminate the Contract without the prior written consent of the Security Trustee.

The instructions in this notice may only be revoked or amended with the prior written consent of the Security Trustee.

Please confirm that you agree to the terms of this notice, and to act in accordance with its provisions, by sending the attached acknowledgement to the Security Trustee at 4<sup>th</sup> Floor, 50 Mark Lane, London EC3R 7QR, with a copy to us.

This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....  
[The Real Asset Co. Ltd] OR [TallyMoney Ltd]

**Part 2**

**Form of acknowledgement**

*[On headed notepaper of the counterparty]*

Woodside Corporate Services Limited  
4<sup>th</sup> Floor, 50 Mark Lane  
London  
EC3R 7QR

[DATE]

Dear Sirs,

**Security Trust Deed dated [DATE] 2019 between (1) The Real Asset Co. Ltd (2) Tally Limited (3) TallyMoney Ltd and (4) Woodside Corporate Services Limited (Security Trustee) (Security Trust Deed)**

We confirm receipt from [The Real Asset Co. Ltd] OR [TallyMoney Ltd] (the **Company**) the Company of a notice (**Notice**) dated [DATE] of a charge, by way of security, and an assignment of all the Company's rights under [DESCRIBE RELEVANT AGREEMENT] (**Contract**).

Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that:

- We accept the confirmations and instructions contained in the Notice and agree to comply with the Notice.
- There has been no amendment, waiver or release of any rights or interests in the Contract since the date of the Contract.
- We will not cancel, avoid, release or otherwise allow the Contract to lapse without giving the Security Trustee at least 30 days' prior written notice.
- We have not, as at the date of this acknowledgement, received notice that the Company has assigned its rights under the Contract to a third party, or created any other interest (whether by way of security or otherwise) in the Contract in favour of a third party.
- The Security Trustee will not in any circumstances have any liability in relation to the Contract.
- The Contract shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Security Trustee.

This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....

[COUNTERPARTY]

### SCHEDULE 3 – INSURANCE POLICY NOTICE

#### Part 1

##### Form of notice

[On headed notepaper of the Company]

[NAME OF INSURER]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF INSURER],

**Security Trust Deed dated [DATE] 2019 between (1) The Real Asset Co. Ltd (2) Tally Limited (3) TallyMoney Ltd and (4) Woodside Corporate Services Limited (Security Trustee) (Security Trust Deed)**

We refer to the [DESCRIBE INSURANCE POLICY AND SPECIFY ITS POLICY NUMBER] (Policy).

This letter constitutes notice to you that under the Security Trust Deed (a copy of which is attached) we have charged by way of first fixed charge and an assignment to the Security Trustee, absolutely, all our rights in the Policy, including all claims, the proceeds of all claims and all returns of premium in connection with the Policy.

We irrevocably instruct and authorise you to:

- [Note the Security Trustee's interest on the Policy as [DESCRIBE NOTATION REQUIRED BY THE SECURITY TRUSTEE TO BE ENDORSED ON POLICY, FOR EXAMPLE, "FIRST MORTGAGEE"] OR Name the Security Trustee as composite insured in respect of its own separate insurable interest under the Policy] (except in relation to public liability and third party liability insurance).
- Name the Security Trustee as first loss payee (other than in respect of any claim under any public liability and third-party liability insurances).
- Comply with the terms of any written instructions received by you from the Security Trustee relating to the Policy, without notice or reference to, or further authority from, us and without enquiring as to the justification or the validity of those instructions.
- Hold all sums from time to time due and payable by you to us under the Policy to the order of the Security Trustee.
- Pay, or release, all monies to which we are entitled under the Policy to the Security Trustee, or to such persons as the Security Trustee may direct.
- Disclose information in relation to the Policy to the Security Trustee on request by the Security Trustee.

Neither the Security Trust Deed nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Policy.

Subject to the foregoing, you may continue to deal with us in relation to the Policy until you receive written notice to the contrary from the Security Trustee. Thereafter, we will cease to have any right to deal with you in relation to the Policy and you must deal only with the Security Trustee.

The instructions in this notice may only be revoked or amended with the prior written consent of the Security Trustee.

Please confirm that you agree to the terms of this notice and to act in accordance with its provisions by sending the attached acknowledgement to the Security Trustee at 4th Floor, 50 Mark Lane, London EC3R 7QR, with a copy to us.

This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....  
[The Real Asset Co. Ltd] OR [TallyMoney Ltd]

**Part 2**

**Form of acknowledgement**

*[On headed notepaper of the insurer]*

Woodside Corporate Services Limited  
4<sup>th</sup> Floor, 50 Mark Lane  
London  
EC3R 7QR  
[DATE]

Dear Sirs,

**Security Trust Deed dated [DATE] 2019 between (1) The Real Asset Co. Ltd (2) Tally Limited (3) TallyMoney Ltd and (4) Woodside Corporate Services Limited (Security Trustee) (Security Trust Deed)**

We confirm receipt from [The Real Asset Co. Ltd] OR [TallyMoney Ltd] (the **Company**) of a notice (Notice) dated [DATE] of a first fixed charge and assignment in favour of the Security Trustee, of all the Company's rights in [DESCRIBE INSURANCE POLICY AND ITS NUMBER] (Policy), including all claims, the proceeds of all claims and all returns of premiums in connection with the Policy.

Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that:

- We accept the instructions and authorisations contained in the Notice and agree to comply with the Notice.
- We have [noted the Security Trustee's interest on the Policy as [DESCRIBE NOTATION REQUIRED BY SECURITY TRUSTEE TO BE ENDORSED ON POLICY, FOR EXAMPLE, FIRST MORTGAGEE] OR named the Security Trustee as composite insured in respect of its own separate insurable interest under the Policy] (except in relation to public liability and third party liability insurances).
- There has been no amendment, waiver or release of any rights or interests in the Policy since the date the Policy was issued.
- We have not, as at the date of this acknowledgement, received notice that the Company has assigned its rights under the Policy to a third party, or created any other interest (whether by way of security or otherwise) in the Policy in favour of a third party.
- The Policy shall not be avoided or vitiated as against the Security Trustee by reason of the act or default of any [other] insured party or any misrepresentation, non-disclosure or failure to make a fair presentation of risk by any [other] insured party.
- We will not repudiate, rescind or cancel the Policy, treat it as avoided in whole or in part nor treat it as expired due to non-payment of premium without giving at least 30 days' prior written notice to the Security Trustee.
- The Security Trustee will not have any liability for any premium in relation to the Policy unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of the Policy.

This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation), shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....

[NAME OF INSURER]